

Chapter 6

Committee Report - Form 460

Candidate controlled committees use the Recipient Committee Campaign Statement (Form 460) to report campaign activity for all semi-annual, special odd-year, preelection, and supplemental preelection statements.

The Form 460 also must be used by a primarily formed committee that has:

- Received contributions totaling \$100 or more in a calendar year from a single source;
- Received any other payment of \$100 or more;
- Outstanding loans received or made; or
- Accrued expenses (unpaid bills).

If the above criteria are not met by a primarily formed committee, it may use the Recipient Committee Campaign Statement – Short Form (Form 450), a simpler and shorter form. In addition, if a primarily formed committee has had no activity (no receipts and no expenditures, except for interest received and bank fees paid) during the reporting period, it may file a Semi-Annual Statement of No Activity (Form 425).

This chapter discusses how to complete Form 460. Examples are for a controlled committee. However, the same reporting obligations exist for primarily formed committees.

Chapter 6 — Committee Report - Form 460

Form 460 Cover Page

Recipient Committee Campaign Statement Cover Page <small>(Government Code Sections 84200-84216.5)</small>		Type or print in ink.	Date Stamp	COVER PAGE CALIFORNIA FORM 460 Page 1 of 13 For Official Use Only
Statement covers period from 7/1/20XX through 9/30/20XX		Date of election if applicable: (Month, Day, Year) 11/7/20XX		
SEE INSTRUCTIONS ON REVERSE				
1. Type of Recipient Committee: All Committees - Complete Parts 1, 2, 3, and 4. <input checked="" type="checkbox"/> Officeholder, Candidate Controlled Committee <input type="checkbox"/> State Candidate Election Committee <input type="checkbox"/> Recall <small>(Also Complete Part 4)</small> <input type="checkbox"/> General Purpose Committee <input type="checkbox"/> Sponsored <input type="checkbox"/> Small Contributor Committee <input type="checkbox"/> Political Party/Central Committee <input type="checkbox"/> Primarily Formed Ballot Measure Committee <input type="checkbox"/> Controlled <input type="checkbox"/> Sponsored <small>(Also Complete Part 4)</small> <input type="checkbox"/> Primarily Formed Candidate/Officeholder Committee <small>(Also Complete Part 7)</small>		2. Type of Statement: <input checked="" type="checkbox"/> Preelection Statement <input type="checkbox"/> Semi-annual Statement <input type="checkbox"/> Termination Statement <small>(Also file a Form 410 Termination)</small> <input type="checkbox"/> Amendment (Explain below) <input type="checkbox"/> Quarterly Statement <input type="checkbox"/> Special Odd-Year Report <input type="checkbox"/> Supplemental Preelection Statement - Attach Form 460		
3. Committee Information COMMITTEE NAME (OR CANDIDATE'S NAME IF NO COMMITTEE) Committee to Elect Waters Mayor STREET ADDRESS (NO P.O. BOX) 10 Parkway Plaza CITY: Playa del Sol STATE: CA ZIP CODE: 95888 AREA CODE/PHONE: 555/333-5432 MAILING ADDRESS IF DIFFERENT (NO AND STREET OR P.O. BOX) P.O. Box 452 CITY: Playa del Sol STATE: CA ZIP CODE: 95888 AREA CODE/PHONE: 555/333-5432 OPTIONAL: FAX / E-MAIL ADDRESS 555/333-5435 Brogers@jps.net		Treasurer(s) NAME OF THE TREASURER Ben Rogers MAILING ADDRESS 10 Parkway Plaza CITY: Playa del Sol STATE: CA ZIP CODE: 95888 AREA CODE/PHONE: 555/333-5432 NAME OF ASSISTANT TREASURER, IF ANY Megan Waters MAILING ADDRESS 100 Sandburg Street CITY: Playa del Sol STATE: CA ZIP CODE: 95888 AREA CODE/PHONE: 555/333-1601 OPTIONAL: FAX / E-MAIL ADDRESS 555/333-1600 Mwaters1@aol.com		
4. Verification I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein and in the attached schedules is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.				
Executed on: [Date Required] Date		By: [Signature Required] Signature of Treasurer or Assistant Treasurer [Signature Required]		
Executed on: [Date Required] Date		By: [Signature Required] Signature of Controlling Officer/Candidate, Ballot Measure Proponent or Responsible Officer if Sponsor		

Form 460

How to Complete the Cover Page

Period Statement Covers

If this is the first report of the calendar year, the "from" date should be January 1. Otherwise, this date should be the day after the closing date of the most recently-filed campaign statement.

Date of Election

When filing a preelection statement in connection with an election, provide the date of the election.

Part 1: Type of Recipient Committee

Check one box to indicate the type of committee filing the statement:

- Officeholder/Candidate Controlled Committee: Complete Cover Page Parts 2, 3, 4, and 5.
- Primarily Formed Candidate/Officeholder Committee: Complete Cover Page Parts 2, 3, 4, and 7.

Part 2: Type of Statement

Check the appropriate box to indicate the type of statement being filed (such as semi-annual or preelection). (See Chapters 5 and 7.)

Amending Form 460

To change or provide information missing from a previously filed Form 460, complete a new Cover Page, checking the "Amendment" box. Also check the box showing the type of statement being amended (e.g., preelection, semi-annual) and enter the period covered by the statement being amended. Provide a brief explanation and list the schedules or parts being amended. Include an amended summary page, if applicable.

Attach the amended schedule(s) and file the amendment with all of the filing officers that received the original filing. (See Chapter 5.)

Part 3: Committee Information

When completing this section, make sure the information is the same as that listed on the committee's Statement of Organization

Form 460
Cover Page
Part 2

Recipient Committee Campaign Statement Cover Page — Part 2		<small>COVER PAGE - PART 2</small> CALIFORNIA FORM 460 <small>Page 2 of 13</small>																													
Type or print in ink.																															
5. Officeholder or Candidate Controlled Committee <small>NAME OF OFFICEHOLDER OR CANDIDATE</small> Megan Waters <small>OFFICE SOUGHT OR HELD (INCLUDE LOCATION AND DISTRICT NUMBER IF APPLICABLE)</small> Mayor, City of Playa del Sol <small>RESIDENTIAL/BUSINESS ADDRESS (NO. AND STREET) CITY STATE ZIP</small> 100 Sandburg Street Playa del Sol CA 95888 <small>Related Committees Not Included in this Statement: List any committees not included in this statement that are controlled by you or are primarily formed to receive contributions or make expenditures on behalf of your candidacy.</small> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><small>COMMITTEE NAME</small> Waters for City Council</td> <td style="width: 50%;"><small>ID NUMBER</small> 983924</td> </tr> <tr> <td><small>NAME OF TREASURER</small> Ben Rogers</td> <td><small>CONTROLLED COMMITTEE?</small> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td colspan="2"><small>COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)</small> 10 Parkway Plaza</td> </tr> <tr> <td><small>CITY</small> Playa del Sol</td> <td><small>STATE ZIP CODE AREA CODE/PHONE</small> CA 95888 555/333-5432</td> </tr> <tr> <td><small>COMMITTEE NAME</small> N/A</td> <td><small>ID NUMBER</small></td> </tr> <tr> <td><small>NAME OF TREASURER</small></td> <td><small>CONTROLLED COMMITTEE?</small> <input type="checkbox"/> YES <input type="checkbox"/> NO</td> </tr> <tr> <td colspan="2"><small>COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)</small></td> </tr> <tr> <td><small>CITY</small></td> <td><small>STATE ZIP CODE AREA CODE/PHONE</small></td> </tr> </table>		<small>COMMITTEE NAME</small> Waters for City Council	<small>ID NUMBER</small> 983924	<small>NAME OF TREASURER</small> Ben Rogers	<small>CONTROLLED COMMITTEE?</small> <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO	<small>COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)</small> 10 Parkway Plaza		<small>CITY</small> Playa del Sol	<small>STATE ZIP CODE AREA CODE/PHONE</small> CA 95888 555/333-5432	<small>COMMITTEE NAME</small> N/A	<small>ID NUMBER</small>	<small>NAME OF TREASURER</small>	<small>CONTROLLED COMMITTEE?</small> <input type="checkbox"/> YES <input type="checkbox"/> NO	<small>COMMITTEE ADDRESS STREET ADDRESS (NO P.O. BOX)</small>		<small>CITY</small>	<small>STATE ZIP CODE AREA CODE/PHONE</small>	6. Primarily Formed Ballot Measure Committee <small>NAME OF BALLOT MEASURE</small> N/A <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><small>BALLOT NO OR LETTER</small></td> <td style="width: 50%;"><small>JURISDICTION</small></td> </tr> <tr> <td></td> <td><input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE</td> </tr> </table> <small>Identify the controlling officeholder, candidate, or state measure proponent, if any.</small> <small>NAME OF OFFICEHOLDER, CANDIDATE, OR PROPONENT</small> <small>OFFICE SOUGHT OR HELD</small> <small>DISTRICT NO. IF ANY</small> 7. Primarily Formed Candidate/Officeholder Committee <small>List names of officeholder(s) or candidate(s) for which this committee is primarily formed.</small> <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;"><small>NAME OF OFFICEHOLDER OR CANDIDATE</small> N/A</td> <td style="width: 50%;"><small>OFFICE SOUGHT OR HELD</small></td> </tr> <tr> <td><small>NAME OF OFFICEHOLDER OR CANDIDATE</small></td> <td><small>OFFICE SOUGHT OR HELD</small></td> </tr> <tr> <td><small>NAME OF OFFICEHOLDER OR CANDIDATE</small></td> <td><small>OFFICE SOUGHT OR HELD</small></td> </tr> <tr> <td><small>NAME OF OFFICEHOLDER OR CANDIDATE</small></td> <td><small>OFFICE SOUGHT OR HELD</small></td> </tr> </table>		<small>BALLOT NO OR LETTER</small>	<small>JURISDICTION</small>		<input type="checkbox"/> SUPPORT <input type="checkbox"/> OPPOSE	<small>NAME OF OFFICEHOLDER OR CANDIDATE</small> N/A	<small>OFFICE SOUGHT OR HELD</small>	<small>NAME OF OFFICEHOLDER OR CANDIDATE</small>	<small>OFFICE SOUGHT OR HELD</small>	<small>NAME OF OFFICEHOLDER OR CANDIDATE</small>	<small>OFFICE SOUGHT OR HELD</small>	<small>NAME OF OFFICEHOLDER OR CANDIDATE</small>	<small>OFFICE SOUGHT OR HELD</small>
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Attach continuation sheets if necessary.

(Form 410). If the committee has not received an identification number from the Secretary of State, enter "pending" in the "I.D. Number" box.

Part 4: Verification

The Form 460 is not considered filed if it is not signed. The committee treasurer or the assistant treasurer named on the committee's Statement of Organization, Form 410, must review and sign the statement.

In addition, if an officeholder or candidate controls the committee, he or she also must sign the statement. If two or three officeholders or candidates control the committee, each must sign. If there are more than three officeholders or candidates controlling the committee, one may sign on behalf of the others.

Part 5: Officeholder or Candidate Controlled Committee

Provide the name of the officeholder or candidate controlling the committee and

indicate the office sought or held including the location and district number, if any. If the candidate controls other committees, including ballot measure committees, list those committees here. If you are aware of any primarily formed committees that exist to receive contributions or to make expenditures on behalf of the candidate controlling this committee, also list those committees. If more than one candidate controls the committee, copy Part 5 as many times as needed to include the required information for all controlling candidates.

Part 6: Primarily Formed Ballot Measure Committee

Controlled committees that are primarily formed to support or oppose a ballot measure must also complete this section.

Part 7: Primarily Formed Candidate/Officeholder Committee

Provide the name(s) of the officeholder(s) or candidate(s), the office(s) sought or held, and indicate whether the committee is

Chapter 6 — Committee Report - Form 460

Form 460 Summary Page

Campaign Disclosure Statement Summary Page		Type or print in ink. Amounts may be rounded to whole dollars.	Statement covers period from 7/1/20XX through 9/30/20XX	SUMMARY PAGE CALIFORNIA FORM 460 Page 3 of 13 I.D. NUMBER 1001234
SEE INSTRUCTIONS ON REVERSE				
NAME OF FILER Committee to Elect Waters Mayor				
Contributions Received		Column A TOTAL RECEIVED (POSITIVE OR NEGATIVE)	Column B CUMULATIVE TOTAL RECEIVED	Calendar Year Summary for Candidates Running in Both the State Primary and General Elections
1. Monetary Contributions Schedule A, Line 3	\$ 5,799	\$ 85,799		1/1 through 6/30 7/1 to Date
2. Loans Received Schedule B, Line 3	\$ 6,000	\$ 8,000		20. Contributions Received \$ _____ \$ _____
3. SUBTOTAL CASH CONTRIBUTIONS Add Lines 1 + 2	\$ 11,799	\$ 93,799		21. Expenditures Made \$ _____ \$ _____
4. Nonmonetary Contributions Schedule C, Line 3	\$ 5,000	\$ 7,600		
5. TOTAL CONTRIBUTIONS RECEIVED Add Lines 3 + 4	\$ 16,799	\$ 101,399		
Expenditures Made				Expenditure Limit Summary for State Candidates
6. Payments Made Schedule E, Line 4	\$ 28,900	\$ 45,000		22. Cumulative Expenditures Made* (if subject to voluntary expenditure limit)
7. Loans Made Schedule H, Line 3	\$ 400	\$ 400		Date of Election (mm/dd/yyyy) Total to Date
8. SUBTOTAL CASH PAYMENTS Add Lines 6 + 7	\$ 29,300	\$ 45,400		_____/_____/_____ \$ _____
9. Accrued Expenses (Unpaid Bills) Schedule F, Line 3	\$ 800	\$ 1,000		_____/_____/_____ \$ _____
10. Nonmonetary Adjustment Schedule G, Line 3	\$ 5,000	\$ 7,600		
11. TOTAL EXPENDITURES MADE Add Lines 8 + 9 + 10	\$ 35,100	\$ 54,000		
Current Cash Statement				
12. Beginning Cash Balance Previous Summary Page, Line 16	\$ 62,300			
13. Cash Receipts Column A, Line 3 above	\$ 11,799			
14. Miscellaneous Increases to Cash Schedule I, Line 4	\$ 4,000			
15. Cash Payments Column A, Line 8 above	\$ 29,300			
16. ENDING CASH BALANCE Add Lines 12 + 13 + 14, then subtract Line 15 If this is a termination statement, Line 16 must be zero.	\$ 48,799			
17. LOAN GUARANTEES RECEIVED Schedule B, Part 2		\$ 7,000		
Cash Equivalents and Outstanding Debts				
18. Cash Equivalents See instructions on reverse	\$ 400			
19. Outstanding Debts Add Line 2 + Line 9 in Column B above	\$ 9,000			

supporting or opposing the officeholder(s) or candidate(s).

How to Complete the Summary Page

The Summary Page lists the totals of all contributions received and expenditures made during the period covered by the statement and the cumulative amounts of contributions received and expenditures made during the calendar year.

Column A

This column reflects the totals found on the summaries located at the bottom of each schedule attached to the statement. If there is no activity to report on a particular schedule, place a zero on the appropriate line. Never leave a line in Column A blank.

Column B

Amounts shown on Lines 2, 7, and 9 of Column B are carried forward from year to

year (and statement to statement) until they are paid. If this is the first statement of the calendar year, this column should reflect the same totals as found in Column A, except for Lines 2, 3, 5, 7, 8, 9, and 11 (if applicable). Otherwise, Column B totals are calculated by adding the figures in Column B from the last statement filed with the figures found in Column A of the current statement. (Note: The amounts reported on Lines 2, 7, and 9 of Column B should be the same as the total outstanding amounts disclosed in column (d) of Schedules B, H, and F, respectively, of the current report.)

The figures in Column B reflect the cumulative amounts received since January 1 of the current calendar year.

The cumulation period for a statement is almost always a calendar year. An exception to calendar year cumulation applies if the committee is required to file a preelection statement in one year in connection with an

election held in another year, such as elections held in January or early February. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

Lines 1-5

Collectively, these lines represent contributions received: monetary, nonmonetary, and loans.

Lines 6-11

These lines together represent expenditures made: payments, loans made, accrued expenses (bills that are still outstanding), and nonmonetary adjustments.

Lines 12-16

The Current Cash Statement section should reflect the committee's actual cash condition at the end of the reporting period. If deposits or expenditures have been made that have not cleared the account, the committee's bank balance may not match the ending cash balance.

Do not deduct investments made with committee funds from Line 12 or Line 16 if the investment can be readily converted to cash; e.g., the purchase of certificates of deposit, shares in interest bearing accounts, or money market funds. Reflect the investment amounts in the total amount of cash available.

Line 12

Make sure that this figure is the same as the figure shown on Line 16 (Ending Cash Balance) of the most recently filed statement. If this is the first statement of the calendar year and no previous statement has been filed for this committee, but money was raised or spent in the previous reporting period that did not equal \$1,000 or more, enter the amount of cash on hand on December 31. Otherwise, enter zero.

Line 13

This figure represents the total of all monetary contributions and loans received during the reporting period. Nonmonetary contributions should not be included.

Line 14

This amount represents all items, such as interest on a bank account, that increase the cash position but are not considered contributions. The amount is carried forward from Schedule I, Miscellaneous Increases to Cash.

Together, Lines 13 and 14 reflect all the money that has been received during the current reporting period.

Line 15

This figure represents the total amount the committee has spent during the reporting period, including loans made and any accrued expenses paid.

Line 16

This amount represents the total of Lines 12, 13, and 14 minus Line 15. The amount reported on Line 16 must equal the total amount of cash the committee has in its campaign bank account and the amount of all funds held in interest bearing accounts, certificates of deposit, money market accounts, shares in government bonds, or any other investments that can be readily converted to cash.

If this is a termination statement, Line 16 must be zero.

Line 17

This figure is carried forward from Schedule B, Part 2. The amount represents the total of all loan guarantees, endorsements, or security received during the period.

Line 18

This figure includes investments that cannot be readily converted to cash, as well as the balance due on all outstanding loans the committee has made to others.

Do not include any amount that is invested in interest bearing accounts, certificates of deposit, money market accounts, or any other investments that can be readily converted to cash. This amount should be part of the ending cash figure reported on Line 16.

Line 19

Report the total of all money owed by the committee. Using Column B, add Line 2 (loans received) and Line 9 (accrued expenses).

Lines 20, 21, & 22

These lines are for certain state candidates only.

Answering Your Questions

- Q. *Is there any circumstance where Line 16, Ending Cash Balance, would show a negative amount?*
- A. If you report a negative amount on Line 16, this means that either you have made a mathematical error in your calculations or you are overdrawn at the bank. Rounding off also may cause a small negative in the cash on hand balance.
- Q. *Is there any circumstance where an amount in Column A would be negative?*
- A. Yes. As loans and accrued expenses are paid down, the amount reflected in Column A may be a negative amount.
- Q. *What should I do if I am unable to balance my accounting records by the filing deadline?*
- A. Because the Political Reform Act does not provide for deadline extensions, complete the form as accurately as you

can and file by the deadline. Then file an amended form as soon as possible.

General Rules for Reporting Contributions Received

(See Chapter 2 for definitions and additional information about receiving contributions.)

\$5,000 Contributor – Major Donor Notice

If \$5,000 or more is received from one source in a calendar year, a “major donor” notice must be sent to the contributor. (See Chapter 2.) Do not send the notice if the contribution is from another recipient committee.

(Example) *Rails, Inc. made a \$5,000 contribution to your committee.*

Within two weeks of receiving the contribution, notify Rails, Inc. in writing that they must file as a major donor if they make any number of contributions totaling \$10,000 or more during the calendar year.

Joint Checking Account

If a check is received that is imprinted with two individuals' names, report the contribution as coming from the person who signed the check. However, if both signed the check, or one signed the check but both have signed an accompanying letter indicating that the contribution is from both, then report 50% of the contribution coming from the one individual and 50% coming from the other, unless the letter attributes specific amounts to each contributor. (See Chapter 2.)

Intermediary

If a contribution of \$100 or more is received from someone who is acting as an intermediary for the true source of the funds, disclose both the true source of the contribution and the intermediary. (See Chapter 2.)

(Example) Sarah Honey made a \$500 contribution to your committee and notified you that she would later be reimbursed by her employer, Hilltop Dairy. Your committee will report Hilltop Dairy, including its address and contributor code, as the source of the contribution and also disclose Sarah as the intermediary, providing her address, occupation, and employer.

Aggregating Contributions

There are a variety of situations in which two or more contributions need to be aggregated for reporting. For instance, when an individual, who is the sole proprietor of a company, makes a contribution from company funds and another contribution from personal funds, these contributions are added together for reporting purposes. (See Chapter 2.)

There are special rules for “major donors” (usually these are individuals and business entities that make contributions totaling \$10,000 or more in a calendar year) when they make contributions that are subject to aggregation. The major donor must notify each committee to which it makes a contribution of the name under which the major donor is filing its report (Form 461). The recipient of the contribution must identify the name of the “filer” and the name of the contributor, if that is different than the name of the filer.

(Example) Temple Construction is a subsidiary of Temple Enterprises. Contributions made by the two entities must be aggregated and they qualify as a major donor. Your committee receives a contribution from Temple Construction. Temple Construction is required to notify you that its contribution is reported on a campaign statement filed under the name of Temple Enterprises. Your committee must identify both names on its report and, if you receive contributions from both entities, the

contributions must be aggregated for purposes of reporting cumulative amounts.

Contributor Information

A contribution of \$100 or more must be returned to the contributor within 60 days of receipt if the contributor's name, address, and, if the contributor is an individual, his or her occupation and employer are not in the committee's records. Contributions may be deposited in the committee's bank account pending receipt of the information, in which case they must be reported on the next campaign statement (Form 460) filed. The campaign statement must be amended within 70 days from its closing date to disclose the missing contributor information unless the contribution was returned to the donor. (See Chapter 1 for detailed information about returning contributions and recordkeeping requirements.)

Reporting Cumulative Amounts

Contributions from the same source (including aggregated contributions) are cumulated from January 1 through December 31. When reporting the cumulative amount of contributions received from any one source, include all monetary and nonmonetary contributions, and loans (including loan guarantees) received by all committees controlled by the candidate. (Exception: Contributions received by controlled ballot measure committees are not cumulated with contributions received by the controlling candidate's campaign committees.)

Calendar Year Cumulation Exception

An exception to calendar year cumulation applies if the committee is required to file a preelection statement in one year in connection with an election held in another year, e.g., certain January/February elections. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the

closing date of the semi-annual statement filed after the election.

Returned Contributions

Not Deposited: A contribution need not be reported if it is returned to the contributor prior to depositing it in the campaign bank account and prior to the closing date of the campaign statement on which it would be reported. A late contribution is not required to be reported if it is not deposited, negotiated, or cashed and is returned to the contributor within 24 hours of receipt.

Deposited, Negotiated, or Returned After Closing Date: Contributions that have been deposited or negotiated, or which were not returned prior to the closing date of the campaign statement, are reported on Schedule A. If the contribution is returned within 30 days of receipt, and within the reporting period, the return may be shown as a negative figure on Schedule A. Otherwise, report the return of the contribution on Schedule E.

Returned for Insufficient Funds: If a check is returned from the bank for insufficient funds and the committee returns the check to the contributor during the same reporting period, both the receipt and the return of the contribution may be reported on Schedule A with the return shown as a negative amount. Otherwise, the return is reported on Schedule E.

Transfers

Use Schedule I to report transfers of funds received from another committee controlled by the candidate.

Enforceable Promises

If a contribution is received in the form of an "enforceable promise" that has not been paid during the period, report the contribution as a memo entry on Schedule A. An "enforceable promise" has been received when a contributor promises, in writing, to pay for

specific goods or services and, based on that promise, the committee expends funds or enters into a legally-enforceable contract with a vendor to purchase the goods or services. An "enforceable promise" has not been made if a person signs a pledge card or similar document, or agrees to make a contribution by installment payments through wire transfer, credit card transaction, debit account transaction, or similar electronic payment.

Disclose the date of the promise, all of the required information about the contributor, and the amount promised, but do not include the amount in the summary totals. When the contributor makes the actual payment, fully disclose the contribution on Schedule A, if the payment is made to the committee, or on Schedule C, if the contributor pays the vendor directly, and include the amount in the appropriate summary section.

Installment Payments

Contributions may be received as installment payments made at regular intervals over a period of time via credit card, debit card, wire transfer, or similar electronic means. When a contributor authorizes a series of installment payments, the contribution is reported as received when the committee, or agent of the committee, obtains possession or control of the funds for each installment payment.

(Example) *Sandra Nickel informed your committee that she wanted to contribute a total of \$500, but would need to make the contribution in five payments of \$100 each month. On June 1, she provided you with her credit card information and authorized your committee to charge her account \$100 on that date and on the first of the next four months. Your committee has a statement due July 31 covering the period January 1 through June 30. Your campaign statement must itemize Sandra and report receipt of \$100 from her on June 1; the report would not include the future contributions.*

Form 460
Schedule A

Schedule A Monetary Contributions Received		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE A CALIFORNIA FORM 460 Page <u>4</u> of <u>13</u> ID NUMBER <u>1001234</u>	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER ID NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	PER ELECTION TO DATE (IF REQUIRED)	
7/14	Rails, Inc. 500 North 12th Street Golden Valley, CA 95892	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$5,000	\$5,000		
7/16	Hilltop Dairy 589 Milky Way Playa del Sol, CA 95888	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		\$500	\$500		
	Intermediary: Sarah Honey 614 C Street Playa del Sol, CA 95888	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Bookkeeper, Hilltop Dairy				
8/10	Waldo Murphy 423 Sandy Beach Drive Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Sales Manager, Rails, Inc.	\$99	\$124		
8/12	Linda Gutierrez 120 South B Street Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Requested	\$200	\$200		
SUBTOTAL \$				5,799			
Schedule A Summary 1. Amount received this period - itemized monetary contributions. (Include all Schedule A subtotals.) \$ <u>5,799</u> 2. Amount received this period - unitemized monetary contributions of less than \$100 \$ <u>-0-</u> 3. Total monetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Line 1.) TOTAL \$ <u>5,799</u>							

*Contributor Codes
 IND - Individual
 COM - Recipient Committee
 (other than PTY or SCC)
 OTH - Other (e.g., business entity)
 PTY - Political Party
 SCC - Small Contributor Committee

How to Complete Schedule A

Monetary Contributions Received

Report monetary contributions received by the committee on Schedule A, except for loans (reported on Schedule B), receipt of repayments for loans made (reported on Schedule H), and miscellaneous receipts (reported on Schedule I).

Date Received

List the date the committee obtained possession or control of the contribution. For instance, report the date the check was received, which may differ from the date on the check or the date the check was deposited. For contributions received by electronic transaction (such as credit card, debit account, or wire transfer, including those received over the Internet), report the date the committee received or had control of the credit/debit account information or other payment information, or the date the

committee received or had control of the funds, whichever is earlier.

Contributor Information

Itemize persons and organizations that have contributed a cumulative amount of \$100 or more during the calendar year. Provide each contributor's name, street address, city, state, and zip code. Remember to maintain the names and addresses of contributors of \$25 or more in your records. (See Chapter 1.)

(Example) *Waldo Murphy contributed \$25 during the year's first reporting period. On your committee's first report for the year, Waldo was not itemized. During the second reporting period, you received a \$99 contribution from Waldo. Itemize Waldo on this report, providing his occupation and employer information, reporting \$99 as received "this period" and reporting a "cumulative amount" of \$124.*

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, or other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Occupation and Employer, I.D. Number, and Intermediary Information

If the contributor is an individual, provide the individual's occupation and employer, or, if self-employed, provide the name of the business. Do not leave this blank. If this information has not been obtained, put "requested" or similar language in this column and amend Schedule A when the information has been received.

Contributions of \$100 or more must be returned within 60 days of receipt if this information is not obtained. (See Chapter 1.)

If the contributor is a recipient committee, report that committee's identification number. If the identification number has not yet been assigned or is unknown, report the full name, street address, city, state, and zip code of that committee's treasurer.

If a contribution is received through an intermediary, provide the name, street address, city, state, zip code, and, if applicable, occupation and employer of both the intermediary and the true source of the contribution.

Amount

Report the amount of the contribution.

Cumulative to Date

Contributions from a single source are cumulated from January 1 through December 31. The amount listed in the "Cumulative to Date-Calendar Year" column will differ from the "Amount Received This Period" column if the committee has received other contributions, including nonmonetary

contributions, loans, or loan guarantees from this same source during the year. There is an exception to calendar year cumulation if the committee is required to file a preelection statement in one year in connection with an election held in another year, e.g., certain January/February elections. When this happens, the cumulation period begins on January 1 of the year before the election and ends on the closing date of the semi-annual statement filed after the election.

Per Election to Date

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specified period. Check with the local filing officer to see what reporting obligations are required under local law.

Schedule A Summary

Complete the summary section of each schedule after completing the corresponding schedule. Each summary provides detailed instructions for every line.

Answering Your Questions

Q. I plan to contribute to my own campaign. May I be reimbursed later if there is money left after my election?

A. It is recommended that you report the contributions as loans on Schedule B, Part 1.

Q. I received a contribution of \$75 this period from someone who contributed \$50 earlier this year. I itemized the \$75 contribution on Schedule A. Should the \$75 be included on Line 1 or 2 of the Schedule A summary?

A. All itemized contributions (including contributions under \$100 that are itemized because the contributor's cumulative total is \$100 or more) are totaled on Line 1 of the schedule summary. Only unitemized contributions

are included on Line 2 of the schedule summary.

Schedule B—Loans Received

Use Schedule B to report activity on loans received by the committee. Outstanding loans are reported on each campaign statement until they are paid. Schedule B has two parts:

- Part 1 lists loans received or outstanding, and the repayment, forgiveness, or payment by a third party of a loan previously received.
- Part 2 lists information on loan guarantors.

Lines of Credit

If a third party establishes a line of credit for the committee, report the full amount of the credit as a loan guarantee on the next campaign statement. Include the date, full name and address of the lender and a note stating the credit amount. When the committee draws from the line, report the amount drawn on Schedule B, Part 1.

Chapter 6 — Committee Report - Form 460

Form 460 Schedule B Part 1

Schedule B - Part 1 Loans Received		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE B - PART 1 CALIFORNIA FORM 460 Page <u>5</u> of <u>13</u>		
SEE INSTRUCTIONS ON REVERSE NAME OF FILER Committee to Elect Waters Mayor		ID NUMBER 1001234						
1. FULL NAME, STREET ADDRESS AND ZIP CODE OF LENDER (IF COMMITTEE, ALSO ENTER L.D. NUMBER)	2. IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	3. OUTSTANDING BALANCE BEGINNING THIS PERIOD	4. AMOUNT RECEIVED THIS PERIOD	5. AMOUNT PAID OR FORGIVEN THIS PERIOD	6. OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	7. INTEREST PAID THIS PERIOD	8. ORIGINAL AMOUNT OF LOAN	9. CUMULATIVE CONTRIBUTIONS TO DATE
Beach City Bank 300 10th Street Beach City, CA 95823				<input type="checkbox"/> PAID \$ - 0 - <input type="checkbox"/> FORGIVEN \$ - 0 -	7,000 10/1/XX DATE DUE	5 100 DATE PAID	7,000 7/11/XX DATE INCURRED	CALENDAR YEAR N/A PER ELECTION**
Megan Waters 100 Sandburg Street Playa del Sol, CA 95888	Realtor, Waters Realty	2,000	- 0 -	<input checked="" type="checkbox"/> PAID 1,000 <input type="checkbox"/> FORGIVEN - 0 -	1,000 N/A DATE DUE	- 0 - - 0 - DATE PAID	2,000 1/15/XX DATE INCURRED	CALENDAR YEAR 2,000 PER ELECTION**
		SUBTOTALS \$ 7,000 \$ 1,000 \$ 8,000 \$ 100						

Schedule B Summary

1. Loans received this period \$ 7,000
(Total Column (b) plus unitemized loans of less than \$100.)

2. Loans paid or forgiven this period \$ 1,000
(Total Column (c) plus loans under \$100 paid or forgiven.)
(Include loans paid by a third party that are also itemized on Schedule A.)

3. Net change this period. (Subtract Line 2 from Line 1.) NET \$ 6,000
Enter the net here and on the Summary Page, Column A, Line 2.

*Amounts forgiven or paid by another party also must be reported on Schedule A.
** If required.

1 Contributor Codes
IND - Individual
COM - Recipient Committee
(other than PTY or SCC)
OTH - Other (e.g., business entity)
PTY - Political Party
SCC - Small Contributor Committee

How to Complete Schedule B - Part 1 Loans Received

Lender Information

Provide the name, street address, city, state, and zip code of each lender of \$100 or more.

Financial Institution

If a financial institution, such as a bank, has loaned the committee money or the committee has drawn on a line of credit, report the institution as the lender by listing its name and address, including zip code. Even if the candidate has established the line of credit, report the institution as the lender.

Individual

If the lender is an individual, also provide the individual's occupation and employer. Do not leave this column blank. If the contributor is self-employed, provide the name of the business. If this information has not been obtained, put "requested" or similar language in this column and amend Schedule B, Part 1 later. (See Chapter 1 for

restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Officeholder/Candidate

Officeholders and candidates depositing their personal funds in the campaign account to assist in their own elections may report the funds as a loan on Schedule B.

Contributor Codes

For each itemized lender, check the box indicating whether the lender is an individual, committee, other (such as a business entity), or a political party. (SCC is applicable only to state candidates and committees.)

QuickTIP Report each loan separately, even if the committee has received more than one loan from a single source.

(a) Outstanding Balance Beginning This Period

Enter the outstanding loan balance at the beginning of this reporting period (Column

(d) of the last report filed). If the loan was received this period, enter zero or leave Column (a) blank.

(b) Amount Received This Period

Enter the amount received from the lender during this reporting period. If this loan was received in a previous reporting period, enter zero or leave Column (b) blank.

(c) Amount Paid or Forgiven This Period

Enter the amount of any reduction of the loan during this reporting period. Check whether the reduction was a payment or forgiveness. When the lender forgives all or part of a loan, or a third party makes a payment on a loan, also report the lender or third party on Schedule A. Enter zero or leave this column blank if no payments were made this reporting period.

(d) Outstanding Balance at Close of This Period

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

(e) Interest Paid This Period

Enter the interest rate and the amount of interest paid on the loan(s) during this reporting period. If the lender is not charging interest, indicate "none" on the "interest rate" line. Interest paid is reported separately from payments made on the loan principal. Interest payments are also transferred to the Schedule E Summary.

(f) Original Amount of Loan

Enter the original amount of the loan and the date it was received. If this is the first time the loan is being reported, this is the same amount as reported in Column (b).

(g) Cumulative Contributions to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received

from the lender during the calendar year covered by this statement.

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specific period. Check with the local filing officer to see what reporting obligations are required under local law. Primarily formed committees do not complete this part.

When a loan is repaid, the cumulative amount may be reduced by the amount repaid.

A loan is a contribution unless it is received from a commercial lending institution in the ordinary course of business. It is not necessary to disclose cumulative amounts for loans that are not contributions.

Schedule B Summary

As loans are paid, Line 3 of the summary section of Schedule B will eventually be a negative amount. When transferring a negative figure from Line 3 to the Summary Page, Column A, Line 2, be sure to subtract the amount from the previous report, Column B, Line 2, to determine the figure for this report's Column B, Line 2.

Chapter 6 — Committee Report - Form 460

Form 460 Schedule B Part 2

Schedule B - Part 2 Loan Guarantors		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE B - PART 2 CALIFORNIA FORM 460 Page <u>6</u> of <u>13</u> ID. NUMBER 1001234	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
FULL NAME, STREET ADDRESS AND ZIP CODE OF GUARANTOR (IF COMMITTEE, ALSO ENTER ID NUMBER)	CONTRIBUTOR CODE	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	LOAN	AMOUNT GUARANTEED THIS PERIOD	CUMULATIVE TO DATE	BALANCE OUTSTANDING TO DATE	
Wayne McNamara 1620 H Street Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Teacher, Beach Unified School District	LENDER <u>Beach City Bank</u> DATE <u>7/11/XX</u>	\$7,000	CALENDAR YEAR <u>7,000</u> PER ELECTION (IF REQUIRED)	\$7,000	
SUBTOTAL \$				7,000	Enter on Summary Page, Line 17 only		

How to Complete Schedule B - Part 2 Loan Guarantors

Guarantor Information

If someone other than the controlling candidate guarantees, co-signs, endorses, or provides security for a loan of \$100 or more, enter the name and address of the guarantor and, if the guarantor is an individual, his or her occupation and employer, or if self-employed, the name of the business.

Contributor Codes

For each itemized guarantor, check the box indicating whether the guarantor is an individual, committee, other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Loan

Enter the name of the lender or the entity at which a line of credit was established and the date of the loan or the date the line of credit was established.

Amount Guaranteed This Period

Enter the amount guaranteed this period, if applicable. For lines of credit, enter the full amount established or secured by the guarantor during the period. (Report amounts drawn on a line of credit on Schedule B — Part 1.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received by the guarantor during the calendar year covered by the statement.

Per Election to Date

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specific period. Check with the local filing officer to see what reporting obligations are required under local law. Primarily formed committees do not complete this part.

Balance Outstanding to Date

Report the outstanding balance for which the guarantor is liable at the close of this reporting period.

QuickTIP Loan guarantees are not included in the Schedule B Summary, but are carried forward in a lump sum to Line 17 of the Summary Page.

Form 460
Schedule C

Schedule C Nonmonetary Contributions Received		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE C CALIFORNIA FORM 460 Page <u>7</u> of <u>13</u> ID NUMBER 1001234	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO CITE R.O. NUMBER)	CONTRIBUTOR CODE *	IF AN INDIVIDUAL ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	DESCRIPTION OF GOODS OR SERVICES	AMOUNT/ FAIR MARKET VALUE	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	PER ELECTION TO DATE (IF REQUIRED)
8/17	Seaside TV Sales 420 16th Street Playa del Sol, CA 95888	<input type="checkbox"/> IND <input type="checkbox"/> COM <input checked="" type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		Television donated for auction	\$1,000	\$1,000	
7/1 thru 9/15	Transit Workers Union 1660 T Street Sacramento, CA 95816 ID #1003221	<input type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC		Employee Compensation	\$4,000	\$4,000	
Attach additional information on appropriately labeled continuation sheets.					SUBTOTAL \$	5,000	
Schedule C Summary 1. Amount received this period - itemized nonmonetary contributions. (Include all Schedule C subtotals.) \$ <u>5,000</u> 2. Amount received this period - unitemized nonmonetary contributions of less than \$100 \$ <u>-0-</u> 3. Total nonmonetary contributions received this period. (Add Lines 1 and 2. Enter here and on the Summary Page, Column A, Lines 4 and 10.) TOTAL \$ <u>5,000</u>							

How to Complete Schedule C
Nonmonetary Contributions Received

Use Schedule C to report nonmonetary contributions received by the committee. Nonmonetary contributions are goods or services provided to the committee for which it does not pay the fair market value.

The fair market value is the amount the committee would pay for the goods or services on the open market; whatever it would cost any member of the general public to obtain the same good or service. (See Chapter 2 for assistance in determining the fair market value of a nonmonetary contribution.)

(Example) Seaside TV Sales donated a television to your committee. The cost to Seaside TV for the television was \$500. Because it would have cost your committee \$1,000 to purchase the TV at fair market value, the nonmonetary contribution from Seaside TV Sales is \$1,000.

Examples of Nonmonetary Contributions

- Items donated for a garage sale, raffle, or auction.
- Signs, postage, and printing.

- Food and entertainment provided for a fundraiser.
- Use of office space, an automobile, or airplane.
- Discounts or rebates that are not extended to the general public.
- Mailing lists, mailings, and other advertising.
- Compensation paid by an employer to an employee who spends more than 10% of his or her compensated time in a calendar month working on behalf of a committee. Compensation includes gross wages paid and any benefits in lieu of wages, such as stock options or an annuity purchase. Compensation does not include routine fringe benefits, such as the employer's payments to a health plan or payroll taxes.
- Forgiveness of an accrued expense by the creditor.

(See Chapters 2 and 3 for exceptions, such as volunteer personal services, home/office fundraisers, and member communications.)

Date Received

A nonmonetary contribution is received on the earlier of the following:

- The date that funds are spent by the contributor; or
- The date the candidate or committee obtains possession or control of the goods or services, or receives the benefit of the expenditure.

(Example) *A PAC, in coordination with your committee, printed a brochure advocating your candidate's election. The PAC delivered the brochures to your headquarters on February 22 and paid the bill for the printing on March 15. Your committee received the nonmonetary contribution on February 22.*

Contributor Information, Occupation/ Employer, and Amount Columns

Itemize contributors of \$100 or more. If the contributor is an individual, provide occupation and employer information in addition to the contributor's name, street address, city, state, and zip code, the amount received this period, and the cumulative amount to date. (See Chapter 1 for restrictions on contributions received when the name, address, occupation, or employer information is missing.)

Contributor Codes

For each itemized contributor, check the box indicating whether the contributor is an individual, committee, other (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Description of Goods or Services

Provide a brief description of the goods or services received.

Amount/Fair Market Value

Report the value of the nonmonetary contribution received. (See Chapter 2 for assistance in determining the fair market value of a nonmonetary contribution.)

Cumulative to Date

Enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) received from the contributor during the calendar year covered by the statement.

Per Election to Date

Candidates subject to local contribution limits may be required to disclose the cumulative amount received from each contributor during a specified period. Check with the local filing officer to see what reporting obligations are required under local law.

Schedule C Summary

The total of nonmonetary contributions reported on Line 3, Schedule C summary section, is reported on the Form 460 Summary Page as both a contribution (Line 4, Column A) and an expenditure (Line 10, Column A).

Answering Your Questions

- Q. *What is the value of the time provided by a graphic artist who volunteers to design a logo for your committee?*
- A. The artist's time is not reportable because it constitutes volunteer personal services. However, if the artist is an employee of a business and spends more than 10% of his or her compensated time in a calendar month working on the design, the paid compensation becomes a nonmonetary contribution from the artist's employer.
- Q. *How do I determine the fair market value of a mailing list provided by another committee?*
- A. The most common way to determine the value is to contact a business from which similar mailing lists can be obtained.

Schedule D – Expenditures Supporting/ Opposing Other Candidates, Measures, and Committees

Schedule D is a summary of payments reported on Schedules E, F, and H that are contributions or independent expenditures to support or oppose other candidates, measures, and committees. Types of expenditures include:

- A monetary contribution or loan to another candidate or committee.
- A payment to a vendor for goods or services for a candidate or committee (a nonmonetary contribution).
- A donation to a candidate or committee of goods on hand, or the payment of salary or expenses for a campaign employee who spends more than 10% of his or her compensated time in a calendar month working for another candidate or committee.
- A payment for a communication (e.g., a mailing, billboard, radio ad) that expressly advocates the election/passage or defeat of a clearly-identified candidate or ballot measure, but the payment is not made to, or at the behest of, the candidate or ballot measure committee. (See Chapter 3 regarding independent expenditures.)

Quick TIP Candidates are prohibited from using campaign funds to make independent expenditures in support of or opposition to another candidate. If a primarily formed committee makes independent expenditures supporting or opposing a candidate it is not primarily formed to support or oppose, or a ballot measure, it may qualify as a different type of committee. Contact the FPPC toll-free at (866) 275-3772 for more information.

Controlled Committees

Do not report payments made to support the controlling candidate's own candidacy, or to

oppose the candidate's opponent(s), on Schedule D. Use Schedule E instead.

Primarily Formed Committees

Payments made to support or oppose the candidate for which the committee is primarily formed may be reportable on Schedule D as either contributions or independent expenditures, depending on whether the payments were made at the behest of the candidate. (See Chapter 3 and Appendix 1.)

Chapter 6 — Committee Report - Form 460

Form 460 Schedule D

Schedule D Summary of Expenditures Supporting/Opposing Other Candidates, Measures and Committees		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE D CALIFORNIA FORM 460 Page <u>8</u> of <u>13</u> I.D. NUMBER <u>1001234</u>	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
DATE	NAME OF CANDIDATE, OFFICE, AND DISTRICT, OR MEASURE NUMBER OR LETTER AND JURISDICTION, OR COMMITTEE	TYPE OF PAYMENT	DESCRIPTION (IF REQUIRED IN)	AMOUNT THIS PERIOD	CUMULATIVE TO DATE CALENDAR YEAR (JAN 1 - DEC 31)	PER ELECTION TO DATE (IF REQUIRED)	
8/3	Committee to Support Bike Lanes Yes on Measure C City of Playa del Sol <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure		\$100	\$500		
8/12	Committee to Support Bike Lanes Yes on Measure C City of Playa del Sol <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	<input checked="" type="checkbox"/> Monetary Contribution <input type="checkbox"/> Nonmonetary Contribution <input type="checkbox"/> Independent Expenditure	Loan	\$400	\$500		
SUBTOTAL \$				500			
Schedule D Summary							
1. Itemized contributions and independent expenditures made this period. (Include all Schedule D subtotals.)						\$	\$500
2. Uniformized contributions and independent expenditures made this period of under \$100						\$	-0-
3. Total contributions and independent expenditures made this period. (Add Lines 1 and 2. Do not enter on the Summary Page.)						TOTAL \$	\$500

How to Complete Schedule D Summary of Expenditures Supporting/ Opposing Other Candidates, Measures and Committees

Date

Report the date the contribution or independent expenditure was made. A monetary contribution is made on the date it is mailed, delivered, or otherwise transmitted to the officeholder, candidate, or committee.

A nonmonetary contribution is made on the earlier of the following:

- The date an expenditure is made for the goods or services; or
- The date the candidate or committee receiving the contribution, or an agent, obtains possession or control of the goods or services.

(Example) *Your committee, working on behalf of Friends of the Forest, arranges for the mailing of a campaign piece supporting their issue. The mailer is sent to voters directly from the mail house on September 4. On September 6, the mail house submits to you an invoice for payment.*

Your committee made a nonmonetary contribution to Friends on September 4 (the date Friends received the benefit of the expenditure).

An independent expenditure is made on the earlier of the following:

- The date the payment is made; or
- The date the committee making the payment receives consideration in exchange for the expenditure(s) (e.g., when the advertisement appears).

The payment for a communication which is never transmitted is not an independent expenditure and need not be reported on Schedule D. Report the expenditure on Schedule E.

Candidate and Office, Measure and Jurisdiction, or Committee

If a total of \$100 or more is contributed or expended during a calendar year to support or oppose a single candidate, ballot measure, or a general purpose committee (e.g., a political party), disclose the name of the candidate and the office sought or held,

the number or letter and jurisdiction of the ballot measure, or the name of the general purpose committee. For each candidate or measure listed, indicate whether the payment was made to support or oppose the candidate or measure.

Type of Payment

Check one of the boxes indicating the type of payment. If the payment is a nonmonetary contribution, provide a description of the payment.

Amount This Period

Provide the amount(s) of contributions or independent expenditures made this period relative to each candidate, measure, or committee.

(Example) *Committee to Elect Waters for Mayor made a \$100 contribution to Committee to Support Bike Lanes, Yes on Measure C on October 3. In addition to reporting it on Schedule D, the expenditure is also reported on Schedule E.*

Cumulative to Date Calendar Year

Report the cumulative amount contributed to or expended to support or oppose each itemized candidate, ballot measure, or committee since January 1 of the current calendar year.

If contributions are made to more than one election committee controlled by the same candidate, report the total amount contributed to all of the committees. Do not cumulate contributions made to a candidate and to that candidate's controlled ballot measure committee, and do not cumulate independent expenditures and contributions made to support a candidate.

(Example) *Tyson Tribe has two committees: one for his 2004 election to the city council, and one to raise funds for reelection in 2008. If your committee*

contributes to both, the amounts you contribute are cumulated on Schedule D.

Per Election to Date

A local ordinance may require committees in that jurisdiction to report the cumulative amount contributed to a local candidate during a specified period. The filing officer, such as the city clerk or county registrar, should have the information. In addition, if contributions were made to state candidates of \$100 or more during a state election cycle, the cumulative amount contributed during the election cycle is reported in this column.

Contribution of Goods Where No Payment Is Made

If goods on hand are contributed to another candidate or committee (e.g., paper, copier), describe the goods or services in the "Description" column, and disclose the fair market value of the contribution.

If, during a calendar year, an officeholder or candidate uses **personal** funds to make contributions of \$10,000 or more, or independent expenditures of \$1,000 or more, to support or oppose **other** officeholders, candidates, committees, or ballot measures (including a controlled ballot measure committee), the candidate must file a Major Donor and Independent Expenditure Committee Campaign Statement (Form 461). These payments are not reported on Schedule D. (See the FPPC's Information Manual for Major Donor and Independent Expenditure Committees for reporting information.)

Answering Your Questions

Q. *Must a candidate file Form 461 (Major Donor and Independent Expenditure Committee Campaign Statement) if he or she makes personal contributions to his or her controlled campaign committee of \$10,000 or more?*

A. No.

Q. *Must the spouse of a candidate file Form 461 if he or she makes personal contributions to his or her spouse's campaign of \$10,000 or more?*

A. If the spouse makes contributions from community funds, the spouse is not required to file as a major donor on Form 461. If the spouse makes contributions from legally separate funds, Form 461 is required.

Q. *Must a candidate file Form 461 if he or she makes personal contributions to his or her controlled **ballot measure committee** of \$10,000 or more?*

A. Yes.

Q. *Must a candidate file Form 461 if he or she makes personal contributions to other candidates and committees which total less than \$10,000, and makes contributions to his or her own committee, and all contributions combined equal \$10,000 or more?*

A. No.

Schedule E – Payments Made and Schedule F – Accrued Expenses (Unpaid Bills)

An expenditure is "made" on the date the payment is made or the date the committee receives the goods or services, whichever is earlier. Expenditures of campaign funds must have a political, legislative, or governmental purpose. (See Chapter 9.)

Use Schedule E to report money spent by the committee during the reporting period. Do not use Schedule E to report the repayment of loans received; use Schedule B, Part 1 instead. Also, do not use Schedule E when reporting loans made to other candidates, officeholders, and committees; use Schedule H instead.

Use Schedule F to report amounts owed by the committee for goods or services received

but not paid for by the end of the reporting period.

(Example) *During October and November, you:*

- (a) *Paid a deposit on a room for a fundraiser to be held January 10;*
- (b) *Ordered and received the fundraiser invitations for which you were billed but had not made a payment by December 31; and*
- (c) *Ordered, but did not receive, flowers for the fundraiser for which you will be billed at the end of January.*

On your semi-annual statement covering the period ending December 31, report the payment for the room deposit on Schedule E. Because you received the invitations but had not paid for them by December 31, disclose the outstanding amount on Schedule F. The cost of the flowers will not be reported until the next reporting period because you did not pay for nor receive the flowers during the period covered by the statement.

Unpaid administrative overhead expenses of the committee, such as rent, utilities, phones, or employee salaries, need not be reported on Schedule F if the committee has not received a bill in the normal course of business or if the due date for the payment is after the closing date of the statement. Regular administrative overhead does not include contracts for services such as accounting, legal, campaign consulting, and public relations.

(Example) *On June 15, your committee received two bills for June services. One bill was from an outside accounting firm and the other was for office rent. The due date for both invoices is July 15. If, on June 30, the committee has not paid the two bills, the bill from the outside accounting firm is reported on Schedule F as*

an accrued expense on your semi-annual statement; the rent bill, however, is not.

General Rules

Information Required

Itemize each payment or accrued expense of \$100 or more to a single payee, and any payments totaling \$100 or more for a single product or service made during the period.

If the committee has entered into an agreement to make payments over time for a product or service, other than general administrative expenses such as rent and utilities, the unpaid balance may be reportable on Schedule F as an accrued expense.

Savings Accounts/Certificates of Deposit/ Money Market Accounts

Do not report on Schedule E the transfer of campaign funds into a savings account, certificate of deposit, money market account, or the purchase of any other asset that can be readily converted to cash. Report these amounts as cash on hand on the Summary Page, Line 16.

Transfers

Report transfers of funds to another committee controlled by the candidate on Schedule E. There are restrictions on transfers of surplus funds (see Chapter 9) and on transfers of funds to run for state office. See FPPC's Information Manual for State Candidates (Manual 1).

Contributions and Independent Expenditures

If the committee makes contributions and/or independent expenditures to support or oppose other candidates, officeholders, or committees, in addition to reporting the payments or accrued expenses on Schedule E or F, complete Schedule D. For payments made for goods or services that are

nonmonetary contributions or independent expenditures, also identify the candidate, committee, or ballot measure supported or opposed by the expenditure in the "Description of Payment" column on Schedule E or F.

When a primarily formed committee makes a payment for a communication that expressly advocates support for the candidate for whom the committee is formed, the payment is reported as a contribution or independent expenditure. As discussed in Chapter 3, that determination is a factual one depending on whether the payment was made at the behest of the candidate. Refer to Supplemental Independent Expenditure Report (Form 465) and Late Independent Expenditure Report (Form 496) for further reporting instructions.

If a primarily formed committee makes contributions (including loans) or independent expenditures to support or oppose other candidates, officeholders, committees, or ballot measures, it may qualify as another type of committee, e.g., a general purpose committee, which has different disclosure obligations. Call the FPPC toll-free at (866) 275-3772 for assistance.

Subvendor Payments

Whenever an agent or independent contractor (such as a campaign worker, consulting firm, or advertising agency) makes an expenditure, or incurs a debt, of \$500 or more on behalf of the committee, the expenditure must be reported in the same detail as if it had been made directly by the committee. These are commonly known as "subvendor payments." Following are some examples of the types of subvendor payments that must be itemized. The committee also must obtain and keep receipts, invoices, and other documentation of subvendor payments. (See Chapter 1.)

- Development of campaign strategy;
- Design or management of campaign literature or advertising;
- Advertising time or space; and
- Surveys, polls, signature gathering, and door-to-door solicitation of voters.

Agents and independent contractors must provide the committee with the required payment information **no later than** three working days prior to when the campaign statement must be filed (or within 24 hours for a late contribution or a late independent expenditure). Expenditures made by the agent or independent contractor for its own overhead and operating expenses need not be itemized.

In many cases, funds paid to an agent or independent contractor in one reporting period will not be used by the agent or contractor until a subsequent reporting period. Report payments to the agent/contractor on Schedule E of the campaign statement covering the period in which the payment was made. When the agent/contractor spends the money, report subvendor payments on the campaign statement covering the period in which the agent/contractor made the expenditures; itemize payments made by the agent/contractor of \$500 or more.

Subvendor payments are most commonly reported on Schedule G, but may be reported on Schedule E or F along with the payment made or owed to the agent/contractor. When itemizing subvendor payments on Schedule E or F, do not include the payments in the "Amount Paid" column, as this will inflate expenditure totals.

(Example) *An agent purchased \$535 worth of flowers, \$250 worth of postage, and \$100 worth of balloons for a fundraiser. Itemize the agent's name and address on Schedule E (or Schedule F if the*

agent was not reimbursed during the reporting period), provide a code or a description of the expenditures, and the amount being reimbursed: \$885. In addition, on Schedule G, itemize the name and address of the florist, enter the code FND or provide a description of the expenditure, and the amount paid to the florist: \$535.

Credit Card Payments

When reporting payments to a credit card company, report the name, street address, city, state, zip code, and the amount of payment. In addition, provide the name, street address, city, state, and zip code of any vendor that received \$100 or more, the amount paid to each vendor itemized, and a code or description of the payment. If a payment on the credit card has not been made by the end of the reporting period, or only partial payment has been made, report the amount outstanding to the credit card company on Schedule F. Payments to the credit card company should be reflected on Schedule E, when payments are made, and Schedule F, when there is a balance still owing at the end of the reporting period. Vendors are not required to be listed more than one time.

(Example) *Sandra's committee for city council used the campaign credit card on December 28 at two different vendors to purchase office supplies and to have invitations to a fundraiser printed. The printing job cost \$560, while the office supplies were under \$100. Since the committee did not make a payment on the credit card by December 31, the end of the reporting period, the amount owed is reported on Schedule F. In addition to the total amount owed to the financial institution that issued the credit card, the committee also itemizes the printer, since the amount owed is \$100 or more. The committee will report payments it makes to the financial institution, but does not reitemize any vendors.*

Contingency Payments

If the committee has entered into an agreement to pay a contingency fee, such as a bonus to a consultant if the campaign is successful, report the fee amount on Schedule F only if it is outstanding at the end of the campaign. The fee is not required to be reported as an accrued expense until it is due.

Controlled Committee – Reimbursements Candidates

Candidates may not use their personal funds for campaign expenses (except for filing and ballot statement fees) without first depositing them into the campaign bank account.

Volunteers, Employees, Agents and Contractors

Volunteers (including a candidate's spouse), employees, and agents or independent contractors, e.g., a consultant or an advertising agent, may be reimbursed for goods, services, or travel expenses when the following criteria are met:

- The treasurer is provided with a dated receipt and a written description of each expenditure prior to reimbursement;
- The reimbursement is paid within 45 calendar days after the expenditures are made; and
- There is a written contract between the committee and the agent/independent contractor providing for the reimbursement of expenditures. (Volunteers and employees do not need a written contract.)

If the reimbursement does not occur within 45 calendar days, the expenditure is considered a nonmonetary contribution from the volunteer, paid employee, or agent/independent contractor, unless the person seeking reimbursement has made a good faith effort to obtain reimbursement and is unable to collect from the committee.

Officeholders

Officeholders may be reimbursed for expenses related to holding office paid for from personal funds when the following criteria are met. (See Chapter 9.)

- The officeholder provides the committee's treasurer with a dated receipt and a written description of the expenditure; and
- Reimbursement occurs:
 - For a monetary expenditure: Within 90 calendar days after the officeholder incurs the expense.
 - For a credit card or charge account: Within 90 calendar days of the end of the billing period.

If the reimbursement does not occur within the 90-day period, the amount must be reported as a nonmonetary contribution from the officeholder to the committee and no reimbursement may occur.

An officeholder may be reimbursed from either the controlled committee campaign bank account established for election to the incumbent term of office, or from a controlled committee bank account established for a different election to the same office, if all of the conditions mentioned above are met. When reporting reimbursements to the officeholder, subvendor payments of \$100 or more must be itemized.

Chapter 6 — Committee Report - Form 460

Form 460 Schedule E

Schedule E Payments Made		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from 7/1/20XX through 9/30/20XX		SCHEDULE E CALIFORNIA FORM 460 Page 9 of 13 ID NUMBER 1001234	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment.							
CMP campaign pamphlets/brochures		MDR member communications		RAO radio airtime and production costs		RFD retained consultants SAL campaign workers' salaries TEL 1st or 2nd class airtime and production costs TRC candidate travel, lodging, and meals TRS telephone travel, lodging, and meals TRF transfer between committees of the same candidate/petitioner VOT voter registration VES information technology costs (internet, e-mail)	
CNS campaign newsletters		MTO meetings and appearances		RAO radio airtime and production costs			
CTB contribution (regain commonality)		OFC office expenses		RAO radio airtime and production costs			
CNC civic committee		PET petition circulating		RAO radio airtime and production costs			
FL candidate financial fees		PAB phone banks		RAO radio airtime and production costs			
FND fundraising events		PCL polling and survey research		RAO radio airtime and production costs			
IND independent expenditure supporting/opposing others (separate)		POS postage, delivery and messenger services		RAO radio airtime and production costs			
LEO legal defense		PRO professional services (legal, accounting)		RAO radio airtime and production costs			
LIT campaign literature and mailings		PRT print ads		RAO radio airtime and production costs			
NAME AND ADDRESS OF PAYEE (If SCHWELT, then SCHWELT is missing)		CODE	OR	DESCRIPTION OF PAYMENT			
California Credit Union (Mastercard) 544 So. Oak Street Sun City, CA 95886						\$12,500	
Subvendor: Sunshine Press \$12,000 642 Lincoln Way Playa del Sol, CA 95889		LIT					
Committee to Support Bike Lanes, Yes on Measure C 555 Westhaven Street Playa del Sol, CA 95888		CTB		ID #206703 City of Playa del Sol		\$100	
Conseco & Schwartz Consultants 161 P Street Sacramento, CA 95814		PRO		See Schedule G for subvendors		\$15,000	
Megan Waters 100 Sandburg Street Playa del Sol, CA 95888				Reimbursement of filing fee		\$1,200	
* Payments that are contributions or independent expenditures must also be summarized on Schedule D.						SUBTOTAL \$ 28,800	
Schedule E Summary							
1. Itemized payments made this period. (Include all Schedule E subtotals.)						\$ 28,800	
2. Unitemized payments made this period of under \$100						\$ -0-	
3. Total interest paid this period on loans. (Enter amount from Schedule B, Part 1, Column (e).)						\$ 100	
4. Total payments made this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Column A, Line 6.)						TOTAL \$ 28,900	

How to Complete Schedule E Payments Made

Name and Address of Payee

Itemize each payment of \$100 or more made to a single payee during the reporting period, and any payments totaling \$100 or more made during the period for a single product of service. Include the name, street address, city, state, and zip code of the payee. Do not use a post office box number when reporting the address of a payee or creditor.

Code or Description of Payment

When itemizing payments, provide either a code or a description of the payment. Expenditure codes are explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule E fully explains the expenditure, leave the code column blank and provide a brief description of the goods or services purchased.

If several expenditures are made to one vendor during the same reporting period, all of the payments to the vendor may be

reported in a single record. When coding the expenditures, use the code that represents the largest share of the expenditures, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

Payment of Accrued Expenses

When paying accrued expenses previously reported on Schedule F, report all payments on Schedule E, itemizing at \$100. Subvendor information is only required to be reported once, and does not need to be reitemized on Schedule E if it was disclosed on Schedule F of a previous report.

Schedule E Summary

The total amount of expenditures is reported on Line 4 of the summary section of Schedule E and on the Form 460 Summary Page, Column A, Line 6. If the committee is paying interest on an outstanding loan, in addition to reporting the amount on Schedule B, Part 1, Column (e), also report the amount on Line 3 of the summary section of Schedule E.

Form 460
Schedule F

Schedule F Accrued Expenses (Unpaid Bills)		Type or print in ink. Amounts may be rounded to whole dollars.		STATEMENT OF PERIOD from 7/1/20XX through 9/30/20XX		CALIFORNIA FORM 460 Page 10 of 13 ID NUMBER 1001234
SEE INSTRUCTIONS ON REVERSE						
NAME OF FILER Committee to Elect Waters Mayor						
CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment. <div style="display: flex; flex-wrap: wrap; font-size: x-small;"> <div style="width: 33%;"> OAP campaign paraphernalia/misc OCS campaign consultants OTB contribution (espouse monetary) CVC civic donations RL candidate filing/ballot fees RND fundraising events RD independent expenditure supporting/opposing others (explain) LED legal defense LIT campaign literature and mailings </div> <div style="width: 33%;"> MER member communications MTG meetings and appearances CFC office expenses PET petition circulating PHD phone banks POL polling and survey research POS postage, delivery and messenger services PRO professional services (legal, accounting) PRI print ads </div> <div style="width: 33%;"> RAD radio airtime and production costs RFD returned contributions SAL campaign workers' salaries TEL tv or cable airtime and production costs TRC candidate travel, lodging, and meals TRF staff/expense travel, lodging, and meals TSF transfer between committees of the same candidate/sponsor VOT voter registration WEB information technology costs (internet, e-mail) </div> </div>						
NAME AND ADDRESS OF CREDITOR IF COMMITTEE, ALSO ENTER ID NUMBER	CODE OR DESCRIPTION OF PAYMENT	(a) OUTSTANDING BALANCE BEGINNING OF THIS PERIOD	(b) AMOUNT INCURRED THIS PERIOD	(c) AMOUNT PAID THIS PERIOD (also report on E)	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	
Sunflowers & More 691 Sunny Meadows Way Playa del Sol, CA 95888	FND	\$200	0	\$200	0	
Bank of the Sun (Visa) 544 So. Maple Street Sun City, CA 95886		0	\$1,000	0	\$1,000	
Subvendor: Carla's Cards \$280 749 Seashore Drive Playa del Sol, CA 95888	LIT					
* Payments that are contributions or independent expenditures must also be reported on Schedule D.		SUBTOTALS \$	200	\$ 1,000	\$ 200	\$ 1,000
Schedule F Summary						
1. Total accrued expenses incurred this period. (Include all Schedule F, Column (b) subtotals for accrued expenses of \$100 or more, plus total unitemized accrued expenses under \$100.)			INCURRED TOTALS \$ 1,000			
2. Total accrued expenses paid this period. (Include all Schedule F, Column (c) subtotals for payments on accrued expenses of \$100 or more, plus total unitemized payments on accrued expenses under \$100.)			PAID TOTALS \$ (200)			
3. Net change this period. (Subtract Line 2 from Line 1. Enter the difference here and on the Summary Page, Column A, Line 9.)			NET \$ 800			

**How to Complete Schedule F
Accrued Expenses (Unpaid Bills)****Name and Address of Creditor**

Itemize each accrued expense of \$100 or more owed to a single creditor. Provide the name, street address, city, state, and zip code of the creditor. Do not use post office box numbers. Continue to list an unpaid bill until it is paid.

Code or Description of Payment

When itemizing accrued expenses, provide either a code or a description of the outstanding payment. Expenditure codes are explained in detail in the Form 460, Schedule E instructions. If none of the codes listed on Schedule F fully explains the outstanding payment, leave the code column blank and provide a brief description of the goods or services.

If several accrued expenses are owed to one vendor during the same reporting period, all of the accrued expenses to the vendor may

be reported in a single record. When coding accrued expenses, use the code that represents the largest share of the accrued expenses, and the description field for the other codes or a description. Alternatively, each expenditure may be reported separately by category.

Amount Columns

For each itemized accrued expense, report any outstanding balance remaining for the accrued expense from the previous period in column (a), the amount of new accrued expenses incurred this period in column (b), the amount paid this period in column (c), and any outstanding balance at the close of the period in column (d).

When payments on accrued expenses are made, in addition to itemizing payments of \$100 or more on Schedule F, itemize the payments on **Schedule E**. Include unitemized payments on accrued expenses on Line 2 of the summary section of Schedule E.

Estimating Accrued Expenses

If the exact amount of a debt or obligation is unknown, an estimate may be reported. When the exact amount is known the committee must 1) amend the statement on which the estimated amount was reported; or 2) make an adjustment on the next campaign statement by showing the difference between the estimated amount and the actual amount in column (b), Amount Incurred This Period. If the actual amount is less than the estimate, the amount listed in column (b) should be a negative number and subtracted from the totals. When reporting estimated amounts or corrections to estimated amounts, note that fact on the campaign statement.

(Example) *On its second preelection statement, the Richards for Treasurer committee reported an estimated accrued expense of \$5,000 owed to ABC Printing. An invoice was received during the next reporting period showing the actual amount owed as \$4,500. On Schedule F, column (a) of its next statement, the committee will report an outstanding accrued expense of \$5,000. In column (b), the amount incurred this period will be a negative \$500. The committee paid the entire bill and therefore will report \$4,500 as paid this period in column (c), with a zero balance in column (d).*

Forgiven Accrued Expenses or Third Party Payments

If a creditor reduces or forgives a debt previously reported on Schedule F, or if another person pays a debt for the committee:

- Indicate that the debt was forgiven, reduced, or paid by a third party and write "See Schedule C" in the "Description of Payment" column. Also report the creditor/payor and the amount as a nonmonetary contribution on Schedule C.

- Report the amount forgiven, reduced, or paid by a third party in the "Amount Paid This Period" column and indicate that it was a forgiveness or third party payment or report the amount as a negative number in the "Amount Incurred This Period" column. Do not report the amount on Schedule E.

If the decision to forgive or reduce the debt is based on a bona fide business judgment that all or part of the debt is uncollectible, the creditor may not be making a contribution. Because this is a factual determination, call the FPPC toll-free at (866) 275-3772 for advice.

Outstanding Accrued Expenses

Line 9, Column B of the Summary Page should reflect the total of all outstanding accrued expenses. Accrued expenses are carried forward on future statements until paid.

Schedule F Summary

Line 3 of the summary section of Schedule F will be a negative amount when payments on accrued expenses are more than the amount of new accrued expenses. Transfer the amount to the Summary Page, Column A, Line 9 as a negative amount and subtract it from the figure in Column B of the previous campaign statement to determine the figure for Column B, Line 9 of this statement.

Answering Your Questions

- Q. *When are unpaid bills reportable as accrued expenses?*
- A. The basic rule is that you must report an accrued expense any time you have received goods or services but have not paid for them by the end of the reporting period.
- Q. *What if I have not received an invoice from the vendor yet?*

A. If you have received the goods or services, you must report the accrued expense even if you have not received an invoice. If you do not know the exact amount, you may estimate the amount of the expense. When reporting an estimate, note that fact on Schedule F.

Q. *We have a contract to pay our campaign consultant \$1,000 per month. If the closing date of the campaign statement falls during the middle of the month, say March 17, must we report an accrued expense for the period March 1 through March 17?*

A. No. When you have agreed in writing to pay a contractor a set amount at regular intervals, it is not necessary to prorate the amount owed to the contractor if the reporting period closes before the end of the contract period.

Q. *When an accrued expense is owed and there are subvendor payments, when are the subvendors reported? For example, if we report an accrued expense owed on a credit card and list the subvendors, must we reitemize the subvendors again on Schedules E and F when the accrued expense is paid?*

A. No. It is not necessary to reitemize subvendors when payments are made on accrued expenses, or if an accrued expense is reported on more than one statement. In this example, the subvendors must be reported on the first statement disclosing the accrued expense owed to the credit card company. On subsequent statements, only the credit card company must be itemized.

Chapter 6 — Committee Report - Form 460

Form 460 Schedule G

Schedule G Payments Made by an Agent or Independent Contractor (on Behalf of This Committee)		Type or print in ink. Amounts may be rounded to whole dollars.	STATEMENT OF SCHEDULE G CALIFORNIA FORM 460
SEE INSTRUCTIONS ON REVERSE		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>	Page <u>11</u> of <u>13</u>
NAME OF FILER Committee to Elect Waters Mayor		I.D. NUMBER 1001234	
NAME OF AGENT OR INDEPENDENT CONTRACTOR Conseco & Schwartz Consultants			
CODES: If one of the following codes accurately describes the payment, you may enter the code. Otherwise, describe the payment. QMP campaign paraphernalia/misc. MBR member communications RAD radio airtime and production costs CWS campaign consultants MTO meetings and appearances RFD returned contributions OTD contribution (explain nonmonetary)* OFC office expenses SAL campaign workers' salaries CVC civic donations PEC petition circulating TEL t.v. or cable airtime and production costs FL candidate filing/ballot fees PHD phone banks TRC candidate travel, lodging, and meals RND fundraising events POL polling and survey research TRS staff/spouse travel, lodging, and meals IND independent expenditure supporting/opposing others (explain)* PCS postage, delivery and messenger services TSP transfer between committees of the same candidate/sponsor LEG legal defense PFD professional services (legal, accounting) VOT voter registration UT campaign meetings and mailings PRT print ads WEB information technology costs (internet, e-mail)			
* Payments that are contributions or independent expenditures must also be summarized on Schedule D.			
NAME AND ADDRESS OF PAYEE OR CREDITOR (IF COMMITTEE, ALSO ENTER I.D. NUMBER)	CODE OR	DESCRIPTION OF PAYMENT	AMOUNT PAID
KSUN Radio 676 Rue Le Soleil Playa del Sol, CA 95888	RAD		\$600
Beach News 1825 Sunflower Drive Strand, CA 95889	PRT		\$13,000
Attach additional information on appropriately labeled continuation sheets.			TOTAL* \$ 13,600
* Do not transfer to any other schedule or to the Summary Page. This total may not equal the amount paid to the agent or independent contractor as reported on Schedule E.			

Schedule G – Payments Made by an Agent or Independent Contractor

Use Schedule G to report payments made on behalf of the committee by agents (such as campaign workers) and independent contractors (such as a consulting firm or an advertising agency). This schedule may be used in lieu of itemizing these amounts on Schedule E or F.

General Rules

Who Completes Schedule G

Schedule G may be completed by the agent or independent contractor and given to the committee, or it may be completed by the committee from information provided by the agent or independent contractor.

Deadline

Agents and independent contractors must provide the committee with the required payment information no later than three working days prior to the filing deadline of the campaign statement (or within 24 hours for a late contribution or late independent expenditure).

How to Complete Schedule G

Name and Address of Payee or Creditor

Itemize payments of \$500 or more made by the agent or independent contractor. Provide the name, street address, city, state, and zip code of the payee. Do not use post office box numbers.

See the general rules for Schedules E and F for additional information.

Do not transfer Schedule G totals to any other schedule or to the Summary Page.

Form 460
Schedule H

Schedule H Loans Made to Others*		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE H CALIFORNIA FORM 460 Page <u>12</u> of <u>13</u>	
SEE INSTRUCTIONS ON REVERSE						ID NUMBER 1001234	
NAME OF FILER Committee to Elect Waters Mayor							
FULL NAME, STREET ADDRESS AND ZIP CODE (IF COMMITTEE, ALSO ENTER ID NUMBER)	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	(a) OUTSTANDING BALANCE BEGINNING THIS PERIOD	(b) AMOUNT LOANED THIS PERIOD	(c) REPAYMENT OR FORGIVENESS THIS PERIOD	(d) OUTSTANDING BALANCE AT CLOSE OF THIS PERIOD	(e) INTEREST RECEIVED	(f) ORIGINAL AMOUNT OF LOAN
Committee to Support Bike Lanes, Yes on Measure C 555 Westhaven Street Playa del Sol, CA 95888 #206703		\$ - 0 -	\$ 400	<input type="checkbox"/> PAID \$ - 0 - <input type="checkbox"/> FORGIVEN \$ - 0 -	\$ 400 None DATE DUE	\$ 5 - 0 -	\$ 400 8/12/XX DATE INCURRED
		SUBTOTALS		\$ 400	\$ - 0 -	\$ 400	\$ - 0 -
Schedule H Summary 1. Loans made this period \$ 400 (Total Column (b) plus unitemized loans of less than \$100.) 2. Payments received on loans \$ -0- (Total Column (c) plus unitemized payments of less than \$100.) 3. Net change this period. (Subtract Line 2 from Line 1.) NET \$ 400 (Enter the net here and on the Summary Page, Column A, Line 7.)							

Schedule H – Loans Made to Others

Schedule H is for reporting loans made by the committee. Outstanding loans are reported on each campaign statement until they are paid.

General Rules

Generally, campaign funds may be used to make loans to other candidates, officeholders, or bona fide charitable, educational, civic, religious, or similar tax-exempt non-profit organizations. There are restrictions on loans to any other person, including a candidate who controls the committee, or to a non-profit organization that is affiliated with a candidate, the treasurer, or other committee officials.

A primarily formed committee that makes contributions, including loans, to candidates, officeholders, or committees (other than the candidate(s) for which the committee is primarily formed) may qualify as a different kind of committee with different reporting obligations. Call the FPPC toll-free at (866) 275-3772 for assistance.

Because a loan is considered a contribution, loans to candidates are subject to applicable state or local contribution limits.

How to Complete Schedule H

Recipient Information

For each loan of \$100 or more that was made or was outstanding during the reporting period, disclose the recipient's name and address and, if the recipient is an individual, his or her occupation and employer or, if self-employed, the name of the business.

(a) Outstanding Balance Beginning This Period

Enter the outstanding loan balance at the beginning of this reporting period (Column (d) of the last report filed). If the loan was received this period, Column (a) should be left blank.

(b) Amount Loaned This Period

Enter the amount loaned to the recipient during this reporting period. If this loan was made in a previous reporting period, Column (b) should be left blank.

(c) Repayment or Forgiveness This Period

Enter the amount of any reduction of the loan during this reporting period. Indicate whether

the loan was paid or forgiven. If the committee forgives a loan, also report the transaction on Schedule E and, if the recipient of the loan is a candidate or committee, report the forgiveness as a contribution on Schedule D.

(d) Outstanding Balance at Close of This Period

Enter the outstanding balance of the loan at the close of this reporting period. Enter the due date, if any.

(e) Interest Received

Enter the interest rate and amount of interest received on the loan during this reporting period. Interest received is reported separately from payments received on the loan principal. Interest received is also transferred to the Schedule I Summary.

(f) Original Amount of Loan

Enter the original amount of the loan and the date it was made. If this is the first time the loan is being reported, this will be the same amount as reported in Column (b).

(g) Cumulative Loans to Date

For each loan that is a contribution, enter the cumulative amount of contributions (including loans, loan guarantees, monetary and nonmonetary contributions) made to the recipient during the calendar year covered by the statement. If the recipient is subject to state contribution limits, also enter the total amount contributed in connection with each election and identify the election year.

Because loans are contributions, the total amount of contributions made to a state candidate's committee, including loans, may not exceed the applicable limit. (Loans to candidates or other committees must also be reported on Schedule D.)

Schedule H Summary

Line 3 of the summary section of Schedule H will be a negative amount when payments

received this period are greater than the amount of new loans made. Transfer the amount to the Summary Page, Column A, Line 7 as a negative figure and subtract this amount from the figure in Column B, Line 7 on the previous statement filed to determine the amount to report in Column B, Line 7 of this statement.

Schedule I – Miscellaneous Increases to Cash

Report on Schedule I increases to the committee's cash position that are not monetary contributions, loans, or repayments of loans made to others.

Examples

- Proceeds, up to the fair market value, of items sold at a garage sale or auction.
- Refunds received on deposits, such as a telephone or room rental deposit or from over-payment of bills.
- Interest received or credited to a checking or savings account or other time deposit.
- Interest payments received on loans made to others.
- Receipts from the sale of committee assets.
- Transfers of funds received by a controlled committee from another committee controlled by the same candidate. However, there are special rules for transferring funds to a committee for state office. (See Manual 1.)

General Rules

Donated Items

When reporting sources who have purchased donated items, e.g., items sold at a garage sale, report the amount received, up to the fair market value, on Schedule I. Any amount in excess of the fair market value is a contribution and reported on Schedule A.

Form 460
Schedule I

Schedule I Miscellaneous Increases to Cash		Type or print in ink. Amounts may be rounded to whole dollars.		Statement covers period from <u>7/1/20XX</u> through <u>9/30/20XX</u>		SCHEDULE I CALIFORNIA FORM 460 Page <u>13</u> of <u>13</u> ID NUMBER <u>1001234</u>	
SEE INSTRUCTIONS ON REVERSE							
NAME OF FILER Committee to Elect Waters Mayor							
DATE RECEIVED	FULL NAME AND ADDRESS OF SOURCE (IF COMMITTEE, ALSO ENTER ID NUMBER)	DESCRIPTION OF RECEIPT		AMOUNT OF INCREASE TO CASH			
9/19	Gail Winds 100 Sycamore Street Playa del Sol, CA 95888	Purchase of TV		\$1,000			
9/20	Waters for City Council 10 Parkway Plaza Playa del Sol, CA 95888	ID #983924 Transfer of funds		\$3,000			
Attach additional information on appropriately labeled continuation sheets.				SUBTOTAL \$		4,000	
Schedule I Summary							
1. Itemized increases to cash this period.				\$ 4,000			
2. Unitemized increases to cash of under \$100 this period.				\$ -0-			
3. Total of all interest received this period on loans made to others. (Schedule H, Column (e).)				\$ 4,000			
4. Total miscellaneous increases to cash this period. (Add Lines 1, 2, and 3. Enter here and on the Summary Page, Line 14.)				TOTAL \$ 4,000			

(Example) *Gail Winds purchased a television donated by Seaside TV Sales at your committee's garage sale. The donated television was previously reported on Schedule C with a fair market value of \$1,000. Gail paid \$1,100 for the television. Report the fair market value of \$1,000 on Schedule I and itemize the additional \$100, the amount over the fair market value, as a contribution on Schedule A.*

Uncashed Checks

If the committee writes a check that is never deposited or negotiated, report the amount of the uncashed check on Schedule I.

Decreases to Cash

All decreases to cash must be reported as expenditures on Schedule E or H.

How to Complete Schedule I
Miscellaneous Increases to Cash**Date**

Report the date the committee received the miscellaneous receipt.

Source Information

Itemize sources of \$100 or more. Provide the full name, street address, city, state, and zip code of the source. Post office box numbers are not acceptable.

Description

Provide a description of the receipt, e.g., refund on room deposit for fundraiser.

Amount

Enter the amount of the receipt.

Schedule I Summary

The total amount of miscellaneous increases to cash is reported on Line 4 of the summary section of Schedule I and on the Summary Page, Column A, Line 14.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 81004.5 *Reports and Statements; Amendments.*
- 82013 *Committee.*
- 82015 *Contribution.*
- 82018 *Cumulative Amount.*
- 82025 *Expenditure.*
- 82025.5 *Fair Market Value.*
- 82044 *Payment.*
- 84105 *Notification of Contributors.*
- 84211 *Contents of Campaign Statement.*
- 84212 *Forms; Loans.*
- 84213 *Candidate Verification.*
- 84216 *Loans.*
- 84216.5 *Loans Made by a Candidate or Committee.*
- 84302 *Contributions by Intermediary or Agent.*
- 84303 *Expenditures by Agent or Independent Contractor.*
- 84306 *Contributions Received by Agents of Candidates and Committees.*
- 85201 *Campaign Bank Account.*
- 85308 *Family Contributions.*
- 85501 *Prohibition on Independent Expenditures by Candidate Controlled Committees.*
- 85700 *Donor Information Requirements; Return of Contributions.*
- 89511.5 *Use of Personal Funds for Incumbent Elected Officers.*
- 89515 *Use of Campaign Funds for Donations and Loans.*

Title 2 Regulations

- 18116 *Reports and Statements; Filing Dates.*
- 18215 *Contribution.*
- 18215.1 *Contributions; When Aggregated.*
- 18216 *Enforceable Promise to Make a Payment.*

- 18421 *Cash Equivalents.*
- 18421.1 *Disclosure of the Making and Receipt of Contributions.*
- 18421.2 *Street Address.*
- 18421.3 *Reporting of Contributions and Expenditures Collected by Contract Vendors or Collecting Agents.*
- 18421.6 *Reporting Accrued Expenses.*
- 18423 *Payments for Personal Services as Contributions and Expenditures.*
- 18427.1 *Notification to Contributors of \$5,000 or More.*
- 18428 *Reporting of Contributions and Independent Expenditures Required to be Aggregated.*
- 18431 *Reporting of Expenditures by an Agent or Independent Contractor.*
- 18432.5 *Intermediary.*
- 18526 *Reimbursement of Expenditures.*
- 18533 *Contributions from Joint Checking Accounts.*
- 18570 *Return of Contributions with Insufficient Donor Information.*

Chapter 7

Additional Reports

In addition to the reports discussed in Chapter 6, other special reports may be required depending on a committee's activity, including:

- Supplemental Independent Expenditure Reports (Form 465)
- Supplemental Pre-election Reports (Forms 460 and 495)
- Late Independent Expenditure Reports (Form 496)

- Late Contribution Reports (Form 497)
- Paid Spokesperson Reports (Form 511)
- Special Odd-year Reports (Form 460)
- Reports of Communications Identifying State Candidates (Form E-530)

Each report is discussed in detail in the following pages.

Your Committee	File
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure	Form 465
Makes contribution(s) totaling \$10,000 or more to state officeholders during the first or third quarter of an odd-numbered year	Form 460
Makes contributions of \$10,000 or more in connection with a local or special state election	Form 495
Makes independent expenditures of \$1,000 or more to support or oppose a single candidate or ballot measure during the 16 days before the candidate or measure's election	Form 496
Receives contributions totaling \$1,000 or more from a single source during the 16 days before your election	Form 497
Makes contributions totaling \$1,000 or more to a candidate or ballot measure committee during the 16 days before the candidate or measure's election, or to a state or county political party committee during the 16 days before a state election	Form 497
Makes expenditures of \$5,000 or more for an individual to appear in a ballot measure advertisement	Form 511
Makes payments of \$50,000 or more to "feature" a state candidate 45 days before an election	Form E-530

Supplemental Independent Expenditure Report (Form 465)

See Chapter 3 for the definition of "independent expenditure." Reminder: Candidates may not use campaign funds to make independent expenditures to support or oppose other candidates.

A Supplemental Independent Expenditure Report (Form 465) is filed when a candidate or committee makes an independent expenditure of \$1,000 or more to support or oppose a single candidate or a single measure. Although candidates may not use campaign funds to make independent expenditures to support or oppose other candidates, they may be required to file Form 465 if personal funds are used to make independent expenditures to support or oppose a single candidate or ballot measure.

Form 465 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Independent expenditures disclosed on Form 465 also must be disclosed on the candidate or committee's campaign statements (Form 450/460, or Form 461 if personal funds are spent).

Form 465 is required only if \$1,000 or more is spent to support or oppose a **single** candidate or measure. If a communication features more than one candidate or measure, the Form 465 is filed only if \$1,000 or more was expended on each candidate or measure featured. A separate Form 465 must be filed for each candidate supported or opposed.

A committee primarily formed to support or oppose candidates must file Form 465 if it makes an independent expenditure of \$1,000 or more to support or oppose any of those candidates.

(Example) *Your committee mails a flyer asking the voters to vote for the three candidates for which your committee is*

primarily formed. The flyer is not done at the behest of any of the candidates named. The total cost of the mailing, including postage, amounts to \$4,850. Because the amount attributable to each candidate is \$1,000 or more, you must file Form 465 for each candidate.

If a candidate sends out a communication opposing his or her opponent, the candidate has not made an independent expenditure. (See Chapter 3.)

When to File

File Form 465 at the same time(s) the candidate or ballot measure committee being supported or opposed is required to file statements, including the semi-annual deadline following the election if independent expenditures are made after the end of the second preelection reporting period.

(Example) *During the second preelection reporting period, your controlled committee for mayor made an independent expenditure by spending \$1,150 to print brochures supporting Measure C in Del Sol County. The second preelection statement in connection with the ballot measure is due on April 12. Your committee must file a Form 465 with the Registrar of Voters in Del Sol County by April 12 as well.*

If an independent expenditure of \$1,000 or more is made during the last 16 days before an election in which the candidate or measure being supported or opposed is to be voted on, a Late Independent Expenditure Report (Form 496) will also have to be filed within 24 hours. (Also see Form 496 discussion later in this chapter.)

Where to File

Candidate Controlled Committees

File Form 465 in the same location(s) as for a committee primarily formed to support or

oppose the ballot measure identified in the communication. This is so the voters in the affected jurisdiction have access to reports showing who has spent funds in an attempt to influence the voters there. A separate Form 465 must be filed for each ballot measure supported or opposed.

general purpose committee. Contact the FPPC for more information.)

A separate Form 465 must be filed for each candidate or measure supported or opposed.

(Example) *The Committee for Ernest Bert is domiciled in Palos County. Because it made an independent expenditure of \$1,400 supporting a Del Sol County ballot measure, it files the Form 465 with the Del Sol County Registrar of Voters and the Registrar of Voters in Palos County.*

Primarily Formed Committees

The Form 465 is filed in the same places where the committee files its regular campaign reports (Form 450/460).

(Example) *Friends of Sarah Greene is primarily formed to support her candidacy for Verde County supervisor. The committee's address is in Sacramento County. Friends makes an independent expenditure of \$1,200 supporting Greene five days before the November election. Friends must file Form 465 with the Registrars of Voters in Verde County and Sacramento County by the January 31 deadline for filing the semiannual campaign statement. These are the same locations where the committee must file a Late Independent Expenditure Report (Form 496) disclosing the independent expenditure, and its regular campaign reports (Form 460).*

If the committee makes independent expenditures to support or oppose candidates **other than those for whom it is primarily formed**, or to support/oppose ballot measures, Form 465 is filed in the same places as a committee primarily formed to support/oppose the candidate or measure identified in the communication. (In addition, the committee may now qualify as a

Chapter 7 — Additional Reports

Form 465

Supplemental Independent Expenditure Report (Government Code Section 84203.5)		Type or print in ink. Amounts may be rounded to whole dollars.		Report covers period		Date stamp		SUPPLEMENTAL INDEPENDENT EXPENDITURE CALIFORNIA FORM 465	
SEE INSTRUCTIONS ON REVERSE		<input type="checkbox"/> Amendment (Explain below)		From 7/1/20XX				Page 1 of 2	
				Through 9/30/20XX				For Official Use Only	
				Date of election if applicable: (Month, Day, Year)		11/7/20XX			
1. Committee/Filer Information		I.D. NUMBER (if recipient committee) 1001234		Treasurer (if recipient committee)					
COMMITTEE/FILER'S NAME Committee to Elect Waters Mayor				NAME OF TREASURER Ben Rogers					
STREET ADDRESS (NO P.O. BOX) 10 Parkway Plaza				MAILING ADDRESS 10 Parkway Plaza					
CITY Playa del Sol	STATE CA	ZIP CODE 95888	AREA CODE/PHONE 555/333-5432		CITY Playa del Sol	STATE CA	ZIP CODE 95888	AREA CODE/PHONE 555/333-5432	
OPTIONAL: FAX/E-MAIL ADDRESS Brogers@jps.net				OPTIONAL: FAX/E-MAIL ADDRESS Brogers@jps.net					
2. Name of Candidate or Measure Supported or Opposed									
NAME OF CANDIDATE				OFFICE SOUGHT OR HELD AND DISTRICT, IF APPLICABLE				CHECK ONE	
NAME OF BALLOT MEASURE Bike Lanes for Playa del Sol				BALLOT NO./LETTER C		JURISDICTION City of Playa del Sol		SUPPORT <input checked="" type="checkbox"/> OPPOSE <input type="checkbox"/>	
3. Independent Expenditures Made Attach additional information on appropriately labeled contribution sheets.									
DATE	NAME AND ADDRESS OF PAYEE			DESCRIPTION OF EXPENDITURE		AMOUNT		CUMULATIVE TO DATE CALENDAR YEAR (JAN. 1 - DEC. 31)	
11/1/XX	Beach City News 1500 J Street Playa del Sol, CA 95888			Newspaper Ad		\$1,265		\$1,265	

How to Complete Form 465

Period Covered

The "period covered" by this report begins the day after the closing date of the most recent Form 465 filed related to the candidate or measure supported or opposed.

If this is the first Form 465 filed for the current year for a particular candidate or measure, the period covered begins January 1. The closing date of the period covered is the closing date for the current campaign statement being filed for the candidate or measure. For example, if the independent expenditure was made during the first preelection period, the Form 465 would cover the period through the closing date for the first preelection statement filed by the candidate or measure identified in the communication.

Filer Information

Provide the committee's full name, street address, city, state, zip code, telephone number, and identification number. Also list the name, address, and telephone number of the committee's treasurer and assistant treasurer, if any.

Name of Candidate or Measure Supported or Opposed

Report the name of the candidate supported or opposed and the office the candidate is seeking, including the district number, if applicable. Or, report the name of the ballot measure supported or opposed by the independent expenditure, including the ballot number or letter and the jurisdiction of the election. Indicate whether the independent expenditure supported or opposed the candidate or ballot measure.

Independent Expenditures Made

Provide the date, name and address of the payee, along with a short description of the expenditure, its amount, and the cumulative amount expended to date on the candidate or measure supported or opposed.

Summary

Complete the summary section by entering the total of all independent expenditures of \$100 or more made during the period for the candidate or ballot measure, the total of all independent expenditures of under \$100

Form 465
Page 2

Supplemental Independent Expenditure Report		Type or print in ink. Amounts may be rounded to whole dollars.	SUPPLEMENTAL INDEPENDENT EXPENDITURE	
SEE INSTRUCTIONS ON REVERSE		Report covers period from 7/1/20XX through 9/30/20XX		CALIFORNIA FORM 465
NAME OF FILER Committee to Elect Waters Mayor		Page 2 of 2		(D) NUMBER OF REPORTS DUE 1001234
4. Summary				
1. Total independent expenditures of \$100 or more made this period. (Part 3.)			\$ 1,265	
2. Total independent expenditures under \$100 made this period. (Not itemized.)			\$ 0	
3. Total independent expenditures made this period (Add Lines 1 + 2.)			TOTAL \$ 1,265	
5. Filing Officers Enter the name and address of each filing officer with whom the filer's most recent campaign statements (Form 450, 480 or 481) have been filed.				
1) NAME OF FILING OFFICER City Clerk, Playa del Sol		3) NAME OF FILING OFFICER		
ADDRESS (NO. AND STREET) 500 Playa del Sol Way		ADDRESS (NO. AND STREET)		
CITY Playa del Sol STATE CA ZIP CODE 95888		CITY STATE ZIP CODE		
2) NAME OF FILING OFFICER		4) NAME OF FILING OFFICER		
ADDRESS (NO. AND STREET)		ADDRESS (NO. AND STREET)		
CITY STATE ZIP CODE		CITY STATE ZIP CODE		
6. Verification				
I have used all reasonable diligence in preparing and reviewing this statement and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.				
Enacted on <u> </u> (Date Required)		By <u> </u> (Signature Required)		
Enacted on <u> </u> (Date Required)		By <u> </u> (Signature Required)		
SIGNATURE OF CONTROLLING OFFICER/HOLDER, CANDIDATE, STATE MEASURE PROPONENT, OR RESPONSIBLE OFFICER OF SPONSOR				

made during the period, and the total for both.

Filing Officers

Enter the title and address of each filing officer with whom the committee files its regular preelection or semi-annual statements.

Verification

The Form 465 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 465, file another Form 465 with the "Amendment" box checked and the corrected or missing information included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

Q. Is an officeholder or candidate who files a Campaign Statement-Short Form (Form

470) still required to file a Form 465 if he or she spends \$1,000 or more in personal funds on an independent expenditure to support/oppose another candidate or ballot measure?

- A. Yes. He or she must file the Form 465 to report this activity.
- Q. Is an independent expenditure reportable by the committee for the candidate or the ballot measure named in the communication?
- A. No. Because the communication is not **made at the behest** of the candidate or ballot measure committee, that is, without its coordination, control, or suggestion, the expenditure for the communication is only reported by the person making it.
- Q. Is a candidate's controlled committee making an independent expenditure when it pays for a communication that supports the controlling candidate and supports or opposes a ballot measure listed on the same ballot or a communication opposing the controlling candidate's opponent?

- A. No. These types of expenditures are considered promoting one's own election.
- Q. *May a committee pro-rate the value of a communication that contains both an independent expenditure and a non-political message?*
- A. Yes. The committee should value the independent expenditure as the portion of the costs directly associated with sending the message that expressly advocates election or defeat of a candidate or measure.

Supplemental Preelection Campaign Statement (Form 495)

A Supplemental Preelection Campaign Statement (Form 495) must be filed if:

- The committee makes contributions totaling \$10,000 or more to any number of candidates or committees primarily formed to support or oppose candidates or measures all being voted upon in one jurisdiction on the same day, **and**
- The contributions were made during the period beginning six months prior to the recipient's election and ending 17 days before the election.

Form 495, covering the period beginning six months prior to the election through 17 days before the election, is filed as an attachment to a campaign statement (Form 450 or 460). The period covered by the Form 450 or 460 begins the day after the closing date of the most recent campaign statement filed through 17 days before the election.

Form 495 is not required during any semi-annual period in which the committee is required to file regular preelection statements or if all the information that would be reported on the Form 495 is reported on a semi-annual statement or Special Odd-Year Campaign Report already on file. (See the section on Special Odd-Year Campaign Report later in this chapter.)

(Examples) *Two months before her November election, Megan Waters, candidate for mayor in the city of Playa del Sol, makes a \$4,500 contribution to the Committee to Support Bike Lanes, Yes on Measure C, and contributes \$3,000 each to two candidates running for city council, all in the city of Playa del Sol. Since Megan Waters must file a preelection campaign statement in connection with her own election, it is not necessary that she also file Form 495.*

One month before an April ballot measure election held in an odd-numbered year, an incumbent county supervisor makes a contribution of \$12,000 to the committee primarily formed to support the measure. The supervisor's committee must file Form 495 attached to its Form 460 no later than 12 days before the April election. The Form 495 will disclose the \$12,000 contribution and the Form 460 will disclose all contributions received and expenditures made by the supervisor's committee, including the \$12,000 contribution, since the last Form 460 was filed. Both forms are filed where the supervisor regularly files his campaign statements, i.e., his county's registrar of voters.

When to File

File Form 495, attached to the committee's Form 450 or 460, no later than 12 days before the recipient's election. The reports must be sent by guaranteed overnight delivery or personal delivery.

Where to File

File Form 495 and the campaign statement with each office where the committee is required to file its regular campaign statements.

If the committee made contributions of \$10,000 or more in connection with more than one election, a separate Form 495 must be completed for each election.

Form 495

How to Complete Form 495

Committee Information

Disclose the committee's name, street address city, state, zip code, identification number, and daytime telephone number, as well as the name, address, and daytime telephone number for the committee treasurer and assistant treasurer, if any.

Contributions Made

Enter the date and jurisdiction of the election and the total amount contributed during the period beginning six months before the election and ending 17 days before the election.

Verification

The Form 495 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 495, file another Form 495 with the "Amendment" box checked and the corrected or missing information included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Late Independent Expenditure Report (Form 496)

A Late Independent Expenditure Report (Form 496) must be filed if the committee makes *independent expenditures* totaling \$1,000 or more to support or oppose a **single** candidate or a **single** ballot measure during the 16 days prior to the candidate or measure's election.

(See Chapter 3 for the definition of "independent expenditure.") Reminder: Candidates may not use campaign funds to make independent expenditures that support or oppose other candidates.

Late independent expenditure reports must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Late independent expenditures also must be disclosed on the candidate or committee's next campaign statement (Form 450/460), and on the Supplemental Independent Expenditure Report (Form 465).

The following are not considered independent expenditures by a candidate's controlled committee:

- Expenditures supporting the controlling candidate's election (or against his or her opponent);
- Expenditures for communications supporting the controlling candidate's election that also support or oppose other candidates or ballot measures being voted on in the same jurisdiction and election.

(Example) *Megan Waters for Mayor Committee distributed a flyer supporting Megan's candidacy and Henry Pellon's candidacy for city council in the same city. There was no coordination with Henry or his committee. Megan's committee has not made an independent expenditure supporting Henry.*

A primarily formed committee to support/oppose a candidate(s) that makes a late independent expenditure of \$1,000 or more to support/oppose that candidate(s), or another candidate or ballot measure, must file a late independent expenditure report.

(Example) *Your committee is primarily formed to support Megan Waters for mayor. Your committee is not Megan Waters' controlled committee, but is independently making expenditures to get her elected. Three days before the election, your committee, on its own and not at the behest of Ms. Waters, purchased an advertisement in a local newspaper for \$1,200 urging voters to support Waters. File a late independent expenditure report within 24 hours of making this payment.*

If the committee does not expend \$1,000 or more to support or oppose a single candidate or a single measure during the last 16 days before an election, a late independent expenditure report is not required.

(Example) *Ten days before an election, your committee independently spent \$1,700 on a mailing equally supporting two candidates. The mailing was done completely independent of the candidates; the value to each was \$850. Since your committee did not expend \$1,000 or more on the mailing for any one candidate, you do not need to file a late independent expenditure report.*

Later, three days before the election, your committee independently spent \$400 on signs supporting one of the candidates listed in your earlier mailing. Because the total spent on behalf of this candidate within the last 16 days before the election was \$1,000 or more, file a Form 496.

The committee may use either Form 496, or create its own form, as long as all of the required information is provided. A separate report must be filed for each candidate or measure supported or opposed.

When to File

The report must be filed within 24 hours of making a late independent expenditure. An independent expenditure has been made when a communication is made, or when a payment is made in connection with the development, production, or dissemination of the communication, whichever is earlier.

Where to File

Candidate Controlled Committees

The report is filed as if the committee were primarily formed to support or oppose the measure identified in the communication. This allows voters in the affected jurisdiction to have access to reports showing who has spent funds attempting to influence them. File a separate report for each ballot measure supported or opposed by fax, guaranteed overnight delivery, or personal delivery. **Regular mail may not be used.**

(Example) *A Playa del Sol city council candidate's committee makes a late independent expenditure to support a state ballot measure. Playa del Sol is located in Beach County. The committee files the late independent expenditure report with the Secretary of State, the City and County of San Francisco, Los Angeles County, and the Registrar of Voters for Beach County.*

Primarily Formed Committees

The report is filed in the same places the committee files its regular campaign reports (Form 450/460). However, if the committee makes independent expenditures to support or oppose candidates other than those for which it is primarily formed, or to support/

oppose ballot measures, the report should be filed in the same places as a committee primarily formed to support/oppose the candidate or measure identified in the communication. (In addition, the committee may now qualify as a general purpose committee. Contact the FPPC for more information.)

File a separate report by fax, guaranteed overnight delivery, or personal delivery for each candidate or ballot measure supported or opposed. **Regular mail may not be used.**

Chapter 7 — Additional Reports

Form 496

Late Independent Expenditure Report		Type or print in ink. Amounts may be rounded to whole dollars.		LATE INDEPENDENT EXPENDITURE REPORT	
NAME OF FILER Committee to Elect Waters Mayor		Date of This Filing 11/1/20XX	Date Stamp	CALIFORNIA FORM 496 For Official Use Only	
AREA CODE/PHONE NUMBER 555/333-5432		Report No. 1			
ID NUMBER (if applicable) 1001234					
STREET ADDRESS 10 Parkway Plaza		<input type="checkbox"/> Amendment to Report No. (specify below)			
CITY Playa del Sol	STATE CA	ZIP CODE 95888	No. of Pages 2		
1. List Only One Candidate or Ballot Measure					
NAME OF CANDIDATE SUPPORTED OR OPPOSED		NAME OF BALLOT MEASURE SUPPORTED OR OPPOSED			
		Bike Lanes for Playa del Sol			
OFFICE SOUGHT OR HELD/DISTRICT NO.	SUPPORT	OPPOSE	BALLOT NUMBER/LETTER C	JURISDICTION City of Playa del Sol	SUPPORT X OPPOSE
2. Independent Expenditures Made Attach additional information on appropriately labeled contribution sheets.					
DATE	DESCRIPTION OF EXPENDITURE				AMOUNT
11/1/XX	Newspaper Ad				\$1,265
Reason for Amendment:					
Late Independent Expenditure Report					
NAME OF FILER Committee to Elect Waters Mayor				CALIFORNIA FORM 496 ID NUMBER (if applicable) 1001234	
3. Contributions of \$100 or More Received *					
DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR (IF COMMITTEE, ALSO ENTER ID NUMBER)	CONTRIBUTOR CODE **	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER (IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)	AMOUNT RECEIVED	INTEREST RATES
10/29/XX	Megan Waters 100 Sandburg Drive Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SOC	Realtor, Waters Realty	\$2,500	If loan, enter interest rate, if any

How to Complete Form 496

Filer Information

Enter the committee's name, street address, city, state, zip code, and identification number.

Date of This Filing

Indicate the date of filing this report.

Report Number

Assign a unique number to each late independent expenditure report, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.

Amendment to Report Number

If this is an amendment to a report previously filed, assign a new unique identifying number as the Report Number, check the "Amendment" box, and indicate the number of the report being amended.

Number of Pages

Note the number of pages included in the report.

Name of Candidate/Measure Supported or Opposed

Part 1. Disclose the name, office sought and the district number, if applicable, of the candidate supported or opposed in the communication, or the name, ballot number or letter, and jurisdiction of the ballot measure supported or opposed. Check the box indicating whether the candidate or ballot measure was supported or opposed by the independent expenditure.

Independent Expenditures/Payments Made

Part 2. Disclose the date the committee made the expenditure, a description of the expenditure, e.g., printing, postage, mail house, etc., and the amount of the expenditure.

Contributions of \$100 or More Received

Part 3. Disclose contributions of \$100 or more received since the closing date of the last campaign statement filed. If no previous campaign statement has been filed, disclose

contributions of \$100 or more received since January 1 of the current calendar year.

Report the date the contribution was received, the full name, street address, city, state, and zip code of the contributor. For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" (such as a business entity), or a political party. (The code "SCC" is applicable only to state candidates and committees.) If the contributor is an individual, provide his or her occupation and employer. Report the amount received, and, if the contribution was a loan, provide the interest rate.

Amendments

To amend a previously filed late independent expenditure report, file a new Form 496 with the corrected information and the "Amendment" box checked. Or, disclose the required information on a piece of paper identified as an amendment. The "Report Number" of the report being amended should be included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

- Q.** *Must a committee primarily formed to support a city council candidate file a late independent expenditure report if it spends \$1,000 or more during the last 16 days before the election for a communication supporting the candidate?*
- A.** Yes. If the communication was not done at the behest of the candidate, the primarily formed committee must file a late independent expenditure report within 24 hours and a Supplemental Independent Expenditure Report (Form 465) after the election.
- Q.** *Is a candidate making an independent expenditure when he or she pays for a*

communication supporting his or her own candidacy or opposing his or her opponent?

- A.** No. The expenditure is considered promoting one's own election.

Late Contribution Report (Form 497)

A Late Contribution Report (Form 497) must be filed if a committee controlled by the candidate or a primarily formed committee:

- Receives a contribution of \$1,000 or more, or multiple contributions aggregating \$1,000 or more, from a single source during the 16 days prior to the candidate's election; or
- Makes a contribution or contributions totaling \$1,000 or more to a candidate, primarily formed committee, or ballot measure committee during the 16 days before the candidate's or measure's election; or
- Makes a contribution or contributions totaling \$1,000 or more to a state or county political party committee during the 16 days before a state election.

This includes monetary and nonmonetary contributions, loans, or a combination of contributions and loans. This also includes a candidate's personal funds contributed or loaned to his or her own campaign.

(Example) *Fourteen days before the November election, Friends of Megan Waters, a non-controlled committee primarily formed to support Megan Waters for mayor, made a \$500 contribution to her campaign. Ten days before the election, the committee made another \$500 contribution. These two contributions in the aggregate amount to \$1,000. Both the Friends committee and Megan's committee must file a late contribution report within 24 hours of the second contribution.*

Chapter 7 — Additional Reports

Only contributions made or received during the last 16 days before the election are aggregated to reach the \$1,000 threshold. A contribution made or received before the 16-day late contribution period is not aggregated with a contribution made to the same candidate or committee, or received from the same source, during the late period.

(Example) *Seventeen days before the November election, Megan received a \$600 contribution from an individual contributor. Another \$600 was received from the same contributor four days before the election. Since an aggregate of \$1,000 was **not** received during the last 16 days before the election from this individual, Megan's campaign is not required to file a late contribution report for this contributor.*

Late contribution reports must be filed in addition to any preelection and semi-annual campaign statements the candidate or committee is required to file. Late contributions also must be disclosed on the candidate or committee's next campaign statement (Form 450/460).

When to File

A late contribution is received on the date the candidate, committee, or an agent of the committee obtains possession or control of the check or nonmonetary item which constitutes the contribution. A late contribution is made on the date it is mailed, delivered, or otherwise transmitted to a candidate or committee. Late reports must be filed within the required 24 or 48 hours. The "next business day" extensions for filing periodic reports does not apply to late reports.

Monetary

The late contribution report must be filed **within 24 hours** of receiving or making a late monetary contribution.

Nonmonetary

Making

Within 24 hours of **making** a late nonmonetary contribution:

- File a late contribution report; and
- Notify the recipient of the value of the late nonmonetary contribution by personal delivery, fax, or guaranteed overnight mail.

Receiving

Within 48 hours of **receiving** a late nonmonetary contribution:

- File a late contribution report.

When more than one nonmonetary contribution will be made to or received from a single contributor during the late contribution reporting period, the committee may, on or before the deadline, file a single report covering the entire late contribution period. The report should disclose the total value of nonmonetary contributions that will be made, or, if the actual value of nonmonetary contributions is not known at the time of filing, a good faith estimate of the value that will be contributed or received during the period. If the value of late nonmonetary contributions differs from the estimated amount by 20 percent or more, the estimated report must be amended within 24 hours from the time the committee knows that the estimated value is incorrect.

The committee may use the Late Contribution Report (Form 497) to disclose late contributions made or received, or create its own form, as long as all of the required information is provided.

Where to File

The late contribution report must be filed by fax, guaranteed overnight delivery service, or personal delivery, at the same locations where the committee files its regular

Form 497
Page 1
Late
Contributions
Received

Late Contribution Report				Type or print in ink. Amounts may be rounded to whole dollars.	LATE CONTRIBUTION REPORT CALIFORNIA FORM 497 For Official Use Only		
NAME OF FILER Committee to Elect Waters Mayor			Date of This Filing 10/30/20XX		Date Stamp		
AREA CODE/PHONE NUMBER 555/333-5432		LID NUMBER (if applicable) 1001234		Report No. 1			
STREET ADDRESS 10 Parkway Plaza			<input type="checkbox"/> Amendment to Report No. _____ <small>(explain below)</small>			No. of Pages 1	
CITY Playa del Sol		STATE CA		ZIP CODE 95888			
Late Contribution(s) Received							
DATE RECEIVED	FULL NAME, STREET ADDRESS AND ZIP CODE OF CONTRIBUTOR <small>(IF COMMITTEE, ALSO ENTER LID NUMBER)</small>	CONTRIBUTOR CODE *	IF AN INDIVIDUAL, ENTER OCCUPATION AND EMPLOYER <small>(IF SELF-EMPLOYED, ENTER NAME OF BUSINESS)</small>	AMOUNT RECEIVED			
10/29/XX	Juan Santos 3030 Parkway Plaza Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Accountant, Miller CPA, Inc.	\$1,500			
<input type="checkbox"/> Check if Loan							
10/29/XX	Megan Waters 100 Sandburg Street Playa del Sol, CA 95888	<input checked="" type="checkbox"/> IND <input type="checkbox"/> COM <input type="checkbox"/> OTH <input type="checkbox"/> PTY <input type="checkbox"/> SCC	Realtor, Waters Realty	\$2,500			
<input type="checkbox"/> Check if Loan							
Reason for Amendment: _____							

campaign statements (e.g., Form 460).
Regular mail may not be used.

- The amount of the contribution and check the box if it was a loan.

How to Complete Form 497

- Enter the committee's name, street address, city, state, zip code, and identification number.
- Indicate the date of filing this report.
- Assign a unique number to each late contribution report, such as 1, 2, 3, PR-1, PR-2, PR-3, etc.
- If this is an amendment to a report previously filed, assign a new unique identifying number as the Report Number, check the "Amendment" box, and indicate the number of the report being amended.
- For late contributions received, provide:
 - The date received;
 - The contributor's full name and mailing address, the appropriate contributor code, and, if the contributor is an individual, his or her occupation and employer, or, if self-employed, enter the name of his or her business; and

The contributor code should accurately reflect the type of contributor from whom the committee received the contribution. For each itemized contributor, check the box indicating whether the contributor is an individual, a committee, "other" such as a business entity, or a political party. (The code "SCC" is applicable only to state candidates and committees.)

Chapter 7 — Additional Reports

Form 497 Page 2 Late Contributions Made

Late Contribution Report				Type or print in ink. Amounts may be rounded to whole dollars.		LATE CONTRIBUTION REPORT	
NAME OF FILER Committee to Elect Waters Mayor				Date of This Filing	10/28/20XX	CALIFORNIA FORM 497 For Official Use Only	
AREA CODE/PHONE NUMBER 555/333-5432		F.D. NUMBER (if applicable) 1001234		Report No.	1		
STREET ADDRESS 10 Parkway Plaza				<input type="checkbox"/> Amendment to Report No. _____ (Amplify below)			
CITY Playa del Sol		STATE CA	ZIP CODE 95888	No. of Pages	1		
Late Contribution(s) Made							
DATE MADE	FULL NAME, STREET ADDRESS AND ZIP CODE OF RECIPIENT (IF COMMITTEE, ALSO ENTER ID NUMBER)			CANDIDATE AND OFFICE OR MEASURE AND JURISDICTION	AMOUNT OF CONTRIBUTION	DATE OF ELECTION (IF APPLICABLE)	
10/27/XX	Stamos for Senate 1742 20th Avenue Playa del Sol, CA 95888 ID #1002244			Renaldo Stamos State Senate, Dist. 41	\$1,000	11/7/XX	

- For late contributions made, provide:
 - The date made;
 - The recipient's full name and mailing address;
 - Office sought or held (if to a candidate);
 - Ballot measure number or letter and jurisdiction (if to a ballot measure committee); and
 - The amount of the contribution.

Amendments

To amend a previously filed late contribution report, file a new Form 497 with the corrected information and the "Amendment" box checked. Or, disclose the required information on a piece of paper identified as an amendment. The "Report Number" of the report being amended should be included. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. File the amendment in the same location(s) as the original.

Answering Your Questions

- Q.** *Must a candidate file a late contribution report if, during the last 16 days before the election, she transfers campaign funds from one campaign committee*

established for a prior office to another campaign committee established for the office for which she is seeking election?

- A.** No. Transfers between or among a candidate's own campaign committees for seeking elective office would be reported as miscellaneous increases to cash, not as contributions.
- Q.** *Must a candidate file a late contribution report if, during the last 16 days before the election, he transfers campaign funds from a ballot measure committee he controls to his campaign committee?*
- A.** Yes. Both committees must file late contribution reports.
- Q.** *Our committee will receive more than one nonmonetary late contribution from the same source during the final 16 days before the election. Rather than file several reports, may our committee file one late contribution report estimating the value of all nonmonetary contributions anticipated to be received from this source during the late contribution reporting period?*
- A.** Yes. The committee may make a good faith estimate of the value that will be contributed during the period. File the late contribution report within 48 hours of

the first \$1,000 in nonmonetary contributions received. If the actual value differs from the estimated amount by 20 percent or more, amend the estimated report within 24 hours from the time you determine the correct amount.

- Q. *Is a late contribution report required when a contributor forgives a loan during the late contribution reporting period?*
- A. Yes. A loan of \$1,000 or more which is forgiven during the late contribution reporting period triggers a late contribution report.
- Q. *A candidate has two committees; one for a past election and one for the current election. If the committee for the past election receives \$1,000 or more from a single source in the late contribution period in connection with the current committee's election, does it file a late contribution report?*
- A. Yes.

Paid Spokesperson Report (Form 511)

A Paid Spokesperson Report (Form 511) is filed by a committee that makes expenditures totaling \$5,000 or more for an individual's appearance in a printed, televised, or radio advertisement, or in a telephone message, to support or oppose the qualification, passage, or defeat of a state or local ballot measure. (The advertisement itself must also disclose that the individual is paid.)

(Example) *In support of a local ballot measure, your committee hires a public relations firm to produce a television advertisement. A local celebrity is paid \$5,000 or more to appear in the ad. Your committee is required to file the Form 511. In addition, the ad must state that the individual was paid to appear.*

Form 511 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Payments made to spokespersons also must be reported on the committee's next campaign statement (Form 450/460).

When to File

File the Form 511 within 10 days of making or promising payments totaling \$5,000 or more to the individual that will appear in the advertisement(s).

Where to File

File the Form 511 in the same locations the committee files its campaign statements.

Chapter 7 — Additional Reports

Form 511

Paid Spokesperson Report		Date Stamp	CALIFORNIA FORM 511 For Official Use Only
Type or print in ink. Amounts may be rounded to whole dollars.			
NAME OF FILER	ID # (required)		
Committee to Elect Waters Mayor	1001234		
AREA CODE/PHONE NUMBER	EMAIL (optional)		
555/333-5432	Brogers@jps.net		
STREET ADDRESS		<input type="checkbox"/> Amendment (explain)	
10 Parkway Plaza			
CITY	STATE	ZIP CODE	
Playa del Sol	CA	95888	
Payments Made Attach additional information on appropriately labeled continuation sheets.			
DATE	NAME AND ADDRESS OF SPOKESPERSON	BALLOT MEASURE SUPPORTED OR OPPOSED (INCLUDE BALLOT NUMBER OR LETTER AND JURISDICTION)	AMOUNT
6/17/XX	Sam Malone 455 Sky Park Drive Century City, CA 90217	Save The Oceans Prop. 301, State <input checked="" type="checkbox"/> Support <input type="checkbox"/> Oppose	\$6,000
Verification			
I have used all reasonable diligence in preparing this report. I have reviewed the report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.			
Executed on	[Date Required]	By	[Signature Required]
	DATE		SIGNATURE OF FILER OR PRESIDENT OR SECRETARY

How to Complete Form 511

Filer Information

Provide the committee's full name, street address, city, state, zip code, and telephone number. Also, list the committee's identification number, as provided by the Secretary of State.

Payments Made

In the first column, provide the date the payments were made, or the services were received, whichever is earlier. In the second column, indicate the name and address of the individual who was paid \$5,000 or more to appear in the advertisement. In the third column, provide the name, number or letter, and jurisdiction of the ballot measure supported or opposed by the advertisement. Finally, in the last column, indicate the total amount of the expenditure.

Verification

The Form 511 is not considered filed if it is not signed.

Amendments

To amend a previously filed Form 511, file another Form 511. Check the "Amendment" box and give a brief description of the amendment. Enter the committee's name and address, and disclose the amended information. Like the original, the amendment must be signed and dated. There is no deadline for filing amendments. However, amendments should be filed as soon as practicable. The amendment is filed in the same location(s) the original was filed.

Special Odd-Year Report

During an odd-numbered year, a special odd-year report must be filed if the committee makes contributions totaling \$10,000 or more to **elected state officers**, their controlled committees, or committees primarily formed to support or oppose any elected state officer during the first and third quarters of the year.

The special odd-year report is filed with the committee's regular filing officer(s) on its regular campaign disclosure form(s) (Forms 450 or 460).

<u>Period Covered</u>	<u>Filing Deadline</u>
January 1 through March 31	April 30
July 1 through September 30	October 31

(Example) *Between July 1 and September 30 of an odd-numbered year, your committee contributes \$20,000 to the Governor's committee. Your committee is required to file a report covering the period July 1 through September 30, by October 31.*

What to Report

The form is completed in the same manner as a regular preelection or semi-annual statement (see Chapter 6) and includes all of the committee's activity during the reporting period, not just contributions to elected state officers.

(Example) *County Supervisor Dominic Mesanovic is not on the ballot in 2007. During 2007, he makes four contributions on March 5 to four different assembly officeholders of \$3,000 each. Dominic's committee will file a special odd-year report on a Form 460 covering the period January 1 through March 31. The report is due no later than April 30. Dominic's special odd-year report is filed with his regular filing officers. His next statement, the semi-annual, will cover April 1 through June 30, and is due no later than July 31.*

Answering Your Questions

- Q.** *Are special odd-year reports filed for the second and fourth quarters of an odd-numbered year as well as for the first and third?*
- A.** No. Semi-annual reports cover the second and fourth quarters.

Q. *Is there a special form for filing a special odd-year report?*

- A.** No. Use the same forms you would ordinarily use to file preelection and semi-annual reports (Form 450 or 460).

Communications Identifying State Candidates (Form E-530)

A committee that spends \$50,000 or more for a communication disseminated during the 45 days before an election that clearly identifies a state candidate appearing on the ballot, but does not expressly advocate the election or defeat of that candidate, must file electronically with the Secretary of State the Form E-530 within 48 hours of making a payment, or promising to make a payment, of \$50,000 or more. (Contact the Secretary of State's office at (916) 653-6224 for information on electronic filing or go to www.sos.ca.gov.) The report must disclose the amount and date of the payment(s), and the name of and office sought by the candidate(s) identified in the communication. In addition, if \$5,000 or more was received or promised from a single source to pay for the communication, the name, address, occupation, and employer (if applicable) of the contributor, as well as the date and amount received or promised, must be reported.

Form E-530 must be filed in addition to any preelection or semi-annual campaign statements the candidate or committee is required to file. Payments disclosed on Form E-530 also must be disclosed on the committee's next campaign statement (Form 450 or 460).

The report must be verified by a written "electronic filing declaration" signed, dated, and verified on the same date the report is transmitted to the Secretary of State. This declaration must be retained in the committee's records for five years following the date that the campaign report to which it

Chapter 7 — Additional Reports

relates is filed. The statement must include the following language:

"I have used all reasonable diligence in preparing this report and to the best of my knowledge the information contained herein is true and complete. I certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct."

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 81004.5 *Reports and Statements; Amendments.*
- 82025 *Expenditure.*
- 82036 *Late Contribution.*
- 82036.5 *Late Independent Expenditure.*
- 82044 *Payment.*
- 84200.3 *Odd-Year Reports in Connection with a Statewide Direct Primary Election Held in March of an Even-Numbered Year.*
- 84200.6 *Special Campaign Statements and Reports.*
- 84202.5 *Supplemental Preelection Statement.*
- 84202.7 *Time for Filing by Committees of Odd-Numbered Year Reports.*
- 84203 *Late Contribution; Reports.*
- 84203.3 *Late In-Kind Contributions.*
- 84203.5 *Supplemental Independent Expenditure Report.*
- 84204 *Late Independent Expenditures; Reports.*
- 84511 *Ballot Measure Ads; Paid Spokesperson Disclosure.*
- 85310 *Communications Identifying State Candidates.*
- 85501 *Prohibition on Independent Expenditures by Candidate Controlled Committees.*

Title 2 Regulations

- 18116 *Reports and Statements.*
- 18402.5 *Supplemental Pre-Election Statements.*
- 18421.1 *Disclosure of the Making and Receipt of Contributions.*
- 18425 *Late Contributions; Reports.*
- 18450.11 *Spokesperson Disclosure.*
- 18531.10 *Communications Identifying State Candidates.*
- 18539.2 *Reporting Payments Pursuant to Government Code Section 85310.*

Chapter 8

After the Election

After the election, a candidate's future filing obligations usually are determined by whether he or she won or lost. A primarily formed committee will often choose to close its committee. However, the law does not require any local candidate or committee to terminate. This chapter addresses the reporting requirements for successful candidates, defeated candidates, primarily formed committees, and the guidelines for terminating a campaign committee.

Successful Candidates – Future Filing Obligations for Non-Election Years

Filed Form 470 During Campaign

A candidate who filed the campaign statement short form, Form 470, in connection with an election may continue to file Form 470 as an officeholder, provided \$1,000 or more is not raised or spent during any calendar year. The Form 470 is due by July 31 of each year.

Judges and Unpaid Elected Officeholders

During non-election years, judges, unpaid elected officeholders (officeholders whose salaries from their elected positions are less than \$200 a month), and their controlled committees are not required to file Form 460 or 470 during any six-month period in which they do not receive contributions or make expenditures. (See Chapter 5.)

Filed Form 460 and Committee Stays Open

After the election, a successful candidate has the option of maintaining his or her committee and campaign bank account, or terminating the campaign committee and closing the bank account. An officeholder who maintains a committee may:

- Continue to receive contributions;

- Use campaign funds to offset officeholder expenses; or
- Hold funds for use in a future election. (See Chapter 1 for information on redesignating an account and committee for a future election.)

During non-election years, Form 460 is filed on a semi-annual basis as long as the committee remains open. In addition, other special reports may be required.

(Refer to Chapter 9 for a discussion on the permissible uses of campaign funds. Also, local candidates should check with their city or county for restrictions under any locally-adopted campaign rules.)

Closing the Committee

If no funds are left in the campaign account and the candidate will not raise additional funds, the account and campaign committee should be closed. (Form 460 must be filed indicating a zero cash balance and Form 410 to terminate the committee.)

If the committee is terminated before the end of a calendar year, the candidate must continue to file the Form 460 for the remainder of that calendar year. However, the Form 460 may be filed as both a termination statement and a semi-annual statement. The Form 470 may be filed in future years while in office.

(Example) *At the end of November, after winning her election, Arlene decides to terminate her committee. To do so, she must file a termination Form 410 and a termination Form 460 showing that the committee has no cash left. On the Form 460 Cover Page, Type of Statement section, she will mark both the termination and semi-annual boxes and enter December 31 as the*

closing date of the statement. Unless there is additional activity, Arlene is not required to file a semi-annual report on January 31, and may file Form 470 on July 31.

\$5,000 or more in a calendar year in connection with one or more such events, the co-sponsoring elected official must file a special report disclosing the payment(s).

REPORT OF PAYMENT FOR LEGISLATIVE, GOVERNMENTAL, OR CHARITABLE PURPOSES	
Pursuant to Government Code Section 82015, the following is a notice that a payment or payments aggregating \$5,000 or more has been made principally for legislative, governmental, or charitable purposes in coordination with or at the request of the official listed below.	
Name of Official	Marshall Travers
Agency Address	City Hall 234 First Street, Oakmont, CA 95443
Date(s) of Payment(s)	June 24, 20XX
Name of Payor	Wildwood Insurance Company
Address of Payor	1253 Main Street, Oakmont, CA 95433
Amount(s) of Payment(s)	\$5,000
Name of Payee	Boys and Girls Club of California
Address of Payee	555 10th Street, Sacramento, CA 95814
Description of Goods Or Services Provided	Charitable Donation
Specific Legislative, Governmental, or Charitable Purpose	Charitable Fundraiser
Date: 7/1/XX	[Signature Required] Signature of Elected Official

The report is required to be filed with the elected official's agency within 30 days following the date of the payment and is a public record. The report then must be forwarded to the filing officer who receives the elected official's campaign statements.

The report also must be filed by an elected official if an individual or entity donates \$5,000 or more in a calendar year to charitable organizations or events at the request of the elected official.

There is no specific form for reporting co-sponsored payments. The report must contain all of the information shown in the example above.

Co-Sponsored Payment Reports

Elected officials often co-sponsor charitable, governmental, or legislative events with outside sources. Examples might include a job fair or a conference on health or educational issues co-sponsored by an elected official and business or non-profit entities.

Payments made by outside sources in connection with these events generally are not considered gifts or contributions to the elected official who is co-sponsoring the event, although meals, lodging, and travel payments received by an official in connection with a co-sponsored event may be reportable gifts. If an outside source pays

(Example) *At the mayor's request, a catering establishment donated refreshments for a city sponsored job faire. The cost exceeded \$5,000. The mayor must file a report with the city clerk.*

Defeated Candidates – Future Filing Obligations

Form 470 Filers

A candidate who filed the campaign statement short form, Form 470, has no further reporting obligations after the election as long as less than \$1,000 was raised or spent during the calendar year.

Form 460 Filers

There is no deadline for terminating the committee or disposing of remaining funds. Form 460 continues to be filed on a semi-annual basis as long as the committee remains open. In addition, other special reports may be required. (See Chapter 7.)

To use money remaining in the campaign bank account for a future election to the same office, a candidate must file a new Candidate Intention Statement, Form 501 and amend the Statement of Organization, Form 410. To use the funds for election to a different office, the candidate must file a new Form 501, open a new campaign bank account, and file a new Form 410 for the future election. **In either event, this must be done no later than the closing date for the post-election filing period or the date of leaving office (defeated incumbents), whichever occurs last, or the funds will become “surplus” campaign funds and be subject to restrictions.** (See Chapter 9.)

(Example) *John Davis lost the city council election in June. John has \$3,500 remaining in his campaign bank account and is considering seeking another city council position in two years. In order to use the remaining \$3,500 for the future election, John must file a new Candidate Intention Statement, Form 501, and redesignate the bank account to a future election by amending his Statement of Organization, Form 410, to indicate the new office sought and year of election. This must be done no later than June 30, which is the end of the post-election reporting period for an election held during the first six months of the year.*

Primarily Formed Committees – Future Filing Obligations

Generally, a committee established primarily to support or oppose a particular candidate(s)

will terminate after the election. However, the committee may remain open to:

- Raise funds to pay debts.
- Support or oppose other candidates or measures. The committee will need to amend its Statement of Organization (Form 410) to reflect the change in committee type.

(Example) *After the election, the committee primarily formed to support candidate Jones decides to support candidate Lopez in the next election. In order to do so, it will amend its Statement of Organization.*

Form 460, 450, or 425 must be filed on a semi-annual basis as long as the committee remains open. Preelection statements and other special reports may be required depending on the committee's activities.

Termination

There is no deadline for terminating a committee controlled by a local candidate or officeholder unless the controlling candidate/officeholder becomes a state officeholder (in which case, refer to FPPC's Information Manual for State Candidates (Manual 1) for termination requirements). Primarily formed committees also do not have a deadline to terminate. However, the committee, by its nature, may need to change its committee status if it remains open after the election.

A committee may terminate only if the committee:

- Has ceased receiving contributions or making expenditures and does not anticipate receiving contributions or making expenditures in the future;
- Has no remaining campaign funds;
- Has filed all required campaign statements, disclosing all reportable transactions, including the disposition of leftover funds; and

- Has eliminated all debts, or has no intention or ability to discharge debts.

Use the Form 410 to terminate the committee. Check the "Termination" box, and report the committee's identification number and the date of termination; the date of termination generally is the date all funds have been expended. In addition, identify the name of the committee and have the treasurer or assistant treasurer sign the verification. If this is a controlled committee, the controlling officeholder(s)/candidate(s) also signs the verification.

Form 450 or 460 also must be filed showing that all funds have been expended and the committee has no cash on hand. Check the "Termination" box on the cover page.

File the original and a copy of the Form 410 with the Secretary of State and a copy with the committee's local filing official. File the Form 450 or 460 in the committee's regular filing locations. (See Chapter 5.)

Answering Your Questions

- Q. *May I terminate my committee even if I have outstanding debt owing to creditors?*
- A. Yes. When you file your termination statements showing outstanding debt, you are declaring that you do not have the ability to discharge debts, loans, or other obligations. However, if you plan to raise additional funds, or pay the outstanding debt with personal funds, you may not terminate.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

- 82015 *Contribution.*
- 84103 *Statement of Organization; Amendment.*
- 84200 *Semi-Annual Statements.*
- 84206 *Candidates Who Receive or Spend Less than \$1,000.*
- 84214 *Termination.*

Title 2 Regulations

- 18215 *Contribution.*
- 18404 *Termination of Candidate's and Committees' Filing Requirements.*
- 18406 *Short Form for Candidates or Officeholders Who Receive and Spend Less than \$1,000 in a Calendar Year.*
- 18426 *Semi-Annual Statement Early Filing.*

Chapter 9

Restrictions

Although the Political Reform Act is primarily a disclosure law, there are several important restrictions and prohibitions on receiving contributions and spending campaign funds. This chapter reviews these restrictions and prohibitions, as well as some that are contained in laws other than the Political Reform Act.

In addition, while the receipt of campaign contributions generally will not create a conflict of interest for an elected officeholder in the performance of his or her elected duties, contributions may be the source of a conflict of interest for officeholders or candidates who are also appointed to boards or commissions. The section on "Disqualification and Campaign Contributions" covers this area of the law.

Restrictions on Contributions

Laundered Funds

If a contribution of \$100 or more is received from a single source in a calendar year, the source must be identified on the committee's Form 460. If a contribution is received through an intermediary, both the intermediary and the true source of the contribution must be identified. If the information for both the true source and the intermediary are not provided, this is considered laundering, a serious violation of the Political Reform Act. Any laundered contributions must be paid to the Secretary of State for deposit in the state general fund. If required under local rules, the funds may be deposited in the general fund of the local jurisdiction.

(Example) *Barry owns a music store and supports Julie's campaign for city council. Since Barry was going to be out of town when Julie was holding a fundraiser, he asked an employee of his to attend on*

behalf of the store. The employee attended the fundraiser using a personal check to pay \$100. Upon his return, Barry reimbursed the employee the \$100. At the time the employee made the contribution to the campaign, he informed them that Barry's music store was the true source of the funds. Julie's campaign report must itemize both Barry's store and the employee. The name of Barry's store and its address, along with the employee's name, address, occupation, and employer are reported.

Barry's employee attended another fundraiser for Julie, but this time Barry wrote a company check to the campaign, which the employee used to attend the fundraiser. In this case, Julie's campaign report must only report Barry's store as the source of the contribution; the employee is not an intermediary.

Cash

The committee may not accept a cash contribution of \$100 or more. Such a contribution may be returned to the contributor prior to the end of the reporting period, provided the cash was not previously deposited or spent. A cash contribution that is inadvertently deposited into the campaign bank account must be refunded within 72 hours of receipt, except a cash contribution of \$1,000 or more from a single source made during the late contribution reporting period (the last 16 days before the election) must be returned to the contributor within 48 hours of receipt.

Anonymous

Anonymous contributions of \$100 or more are prohibited. If the committee receives a cash contribution of \$100 or more from an unknown source, it must be sent to the Secretary of State for deposit in the state's General Fund.

Commingleing

Campaign funds may not be commingled with an individual's personal funds and may not be used for personal expenses. Campaign funds must be kept in an account separate from any account which contains personal funds.

Money Orders/Cashier's Checks/Traveler's Cheques

All monetary contributions of \$100 or more must be made by written instrument (such as a check) containing the name of the donor and drawn from the account of the donor or the intermediary. Contributions of \$100 or more made by money order, cashier's check, or traveler's cheque are prohibited and must be returned to the contributor, or, if made anonymously, sent to the Secretary of State for deposit in the state's general fund.

Legal Name

Contributions must be made in the name by which the contributor is identified for legal purposes.

Delivered in State Office Buildings

A contribution may not be received, or delivered to another person, personally or through an agent, in the State Capitol or any other state office building for which the State of California pays the majority of the rent.

This prohibition does not apply to contributions received or delivered in a legislative district office or through the mail.

From Foreign Nationals, National Banks, and National Corporations

Committees may not receive contributions from foreign nationals, national banks, or national corporations. The Federal Election Campaign Act (2 U.S.C. Section 441b) prohibits contributions from national banks and national corporations (corporations established by an Act of Congress) in connection with any local, state, or federal election to political office.

For further information, the Federal Election Commission may be contacted at (800) 424-9530 (www.fec.gov).

From State Lobbyists

State lobbyists may not contribute to a state officeholder or candidate's campaign if the lobbyist is registered to lobby the agency of the elected officer or the agency to which the candidate is seeking election. The lobbyist also may not contribute to a local committee controlled by a state candidate.

Misuse of Public Resources

The Political Reform Act prohibits public financing of campaigns, except for elections in charter cities and counties.

In addition, laws outside the Act prohibit the use of public resources, such as office equipment, staff time, etc., for campaign or personal purposes. (Gov. Code Section 8314; Penal Code Section 426.)

Government Code Section 54964 prohibits an officer, employee or consultant of a local agency from expending or authorizing the expenditure of any local agency funds to support or oppose a ballot measure or a candidate.

For further information on laws outside the Act, contact the Attorney General's office at (800) 952-5225 or your district attorney.

Soliciting Contributions from Public Employees

Government Code Section 3205 prohibits a local candidate from knowingly, directly or indirectly, soliciting a political contribution from any employees of his or her agency or from a person on an employment list of that agency. There is an exception for solicitations that are made to a significant segment of the public. For further information, contact the Attorney General's office at (800) 952-5225 or your district attorney.

Use of Campaign Funds and Surplus Campaign Funds

To ensure that campaign funds are not used for personal benefit, the expenditure of campaign funds must be *reasonably* related to a *political, legislative, or governmental* purpose. An expenditure must be *directly* related to a political, legislative, or governmental purpose if it confers a substantial personal benefit on the candidate or elected officer, a member of their household, or any individual authorized to approve campaign expenditures.

(Example) *Kathi Sonenfeld for Supervisor Committee buys pizzas for its volunteers every Thursday when a group gathers to stuff envelopes for the campaign. This is allowed, since there is a political purpose for this expenditure.*

Kathi has decided to enter a Master's degree program at her local college. While the program may enhance her qualifications as a candidate, she may not use campaign funds for this purpose; a Master's degree would confer a personal benefit to her that is not considered directly related to a political, legislative, or governmental purpose.

After an election, a successful candidate may use left over campaign funds for officeholder expenses or for a future election. **Campaign funds held by officeholders who leave office or by defeated candidates are subject to the "surplus funds" restrictions discussed below.** Equipment and other non-cash assets held by a candidate or committee may not be used for personal purposes.

(Example) *Following the election, unsuccessful candidate Robin Welles decides to give the committee's computer to his son. Because the computer was purchased with campaign funds, Welles must purchase the computer from the*

committee, at fair market value, in order to do this.

Election Night Celebrations

Costs associated with election night celebrations or similar campaign events may be paid by the committee.

Attorneys' Fees

Generally, attorneys' fees and other costs related to administrative, civil, or criminal litigation may not be paid with campaign funds. However, there are exceptions. Some expenses that may be paid with campaign funds include:

- Action to halt defamation;
- Defense of an action to halt defamation;
- Defense of an action for violation of state or local campaign, disclosure, or election laws;
- Litigation to secure a place on the ballot or challenge the wording of the ballot pamphlet;
- Contested election;
- Election recount; and
- Compliance expenses (for example, completing campaign disclosure reports).

Reimbursements

If a bank account is required (see Chapter 4), the candidate must deposit personal funds in the campaign bank account and make expenditures from that account instead of spending personal funds for the campaign and later seeking reimbursement from campaign funds. However, any other individual may make expenses from personal funds and be reimbursed, as long as the expenses are incurred for political, legislative, or governmental purposes and repayment is made within 45 days. In addition, an officeholder may use personal funds and be reimbursed for "officeholder" expenses. (See Chapter 6 for specific

reporting rules and deadlines for reimbursements.)

(Example) *The candidate's spouse buys a roll of stamps for the campaign at the post office using a personal check. In addition, he frequently buys bagels for the morning shift of volunteer workers. After providing the treasurer with a receipt for the stamps and bagels, the treasurer may reimburse the spouse for his expenses.*

Automobile Expenses

Lease or Purchase: When making payments associated with leasing, purchasing, or operating a vehicle, such as insurance, maintenance, and repairs, the campaign committee must be the lessee or hold title to the vehicle. Additional titleholders may not be the candidate, officeholder, treasurer, or any other person who may approve campaign expenditures, or a member of any such person's immediate family (spouse or registered domestic partner and dependent children). Additional lessees may not be the candidate, officeholder, treasurer, or a member of any of these persons' immediate family.

Reimbursed Automobile Expenses: An officeholder, candidate, or immediate family member, committee staff, and staff of an elected officer's governmental agency may be reimbursed by the committee for use of a personal vehicle if the use is directly related to a political, legislative, or governmental purpose. Documentation should be kept which includes the trip's purpose and mileage in a manner approved by the Internal Revenue Service for deducting mileage expenses. The rate for reimbursement may not exceed that allowed under Internal Revenue Code Section 162. For more details, the Internal Revenue Service may be contacted at (800) 829-1040 (www.irs.ustreas.gov).

Clothing

Clothing is a personal expense. The committee may NOT pay for a candidate's business or casual clothing. Specialty clothing, such as formal wear worn by an officeholder or candidate, may be purchased with campaign funds if the use of such clothing is directly related to a political, legislative, or governmental purpose.

(Example) *A candidate has been asked to attend a formal event honoring the mayor. Since he does not own a tuxedo, he may rent one with campaign funds.*

Contributions to Other Candidates and Committees

Candidates may make contributions to other candidates and committees unless prohibited by local rules. Contributions to certain state committees are subject to limitations.

Donations

Campaign funds may be used to make donations or loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. The donation or loan must be reasonably related to a political, legislative, or governmental purpose. In addition, the donation may not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditures of campaign funds, or any such person's immediate family member (spouse or registered domestic partner and dependent children).

(Examples) *A controlled committee wants to contribute to a homeless shelter. However, since the candidate's husband draws a salary from the shelter and it is determined that a substantial part of the proceeds would benefit him, this expenditure by the committee is not allowed.*

A fundraiser is held to raise funds for a veteran's memorial at the local civic center. The committee is permitted to contribute because the payment has a political, legislative, or governmental purpose.

Equipment and Appliances

Campaign funds may be used to buy, lease, or refurbish equipment or appliances, but only if their use is directly related to a political, legislative, or governmental purpose. As with restrictions on vehicles, the committee must hold title, or be the lessee, on the equipment; no individual may be listed as owner or lessee.

(Example) *When the printer breaks down, the treasurer goes out and buys a new one. While shopping, the treasurer finds a great buy on a big screen TV. While the printer is a permissible expense, since it will be used to communicate with the voters, the television does not serve a directly-related political, legislative, or governmental purpose and, therefore, may not be paid for with campaign funds.*

Food

A campaign may pay for a meal when the expenditure is \$200 or less as long as the expense is reasonably related to a political, legislative, or governmental purpose. However, if the aggregate cost of the meal is more than \$200, the expense must be directly related to one of these purposes.

(Example) *An officeholder attends a dinner sponsored by the police department to honor a local good Samaritan. Since the expenditure is directly related to a governmental purpose, the campaign may pay for her attendance, even though the total cost is over \$200.*

Fines, Penalties, Judgments, and Settlements

Only the following fines, penalties, judgments, and settlements may be paid with campaign funds:

- Parking citations received while performing political, legislative, or governmental activities.
- Fines assessed in relation to situations in which the use of campaign funds to pay for an attorney is allowed (discussed above).
- Fines imposed for late filing of campaign statements and Statements of Economic Interests (Form 700).

(Example) *Your treasurer was two days late in filing the committee's first preelection statement and the filing officer fined the committee \$20. The committee may pay the fine with campaign funds.*

Gifts

Unless directly related to a political, legislative, or governmental purpose, personal gifts may not be paid for from campaign funds. However, as long as no one individual receives a total of \$250 or more in a calendar year, gifts to campaign employees or workers are permitted because they are considered directly related to a political, legislative, or governmental purpose. If the campaign pays for a gift to a member of the immediate family (spouse or registered domestic partner and dependent children) of a campaign employee or worker, it should be considered a gift to the employee or worker when calculating whether the \$250 per person limit has been met.

Health-Related Expenses

A committee may pay for health care benefits for its employees or independent contractors. However, no other health-related expenses

may be paid with campaign funds; a committee may not pay for the candidate's health club dues, special dietary foods, or medical check-ups.

Independent Expenditures

Candidates are prohibited from using campaign funds to make independent expenditures to support or oppose other candidates, or to make contributions to other committees for the purpose of making independent expenditures to support or oppose other candidates.

Loans

Campaign funds may be loaned to other political committees. (Loans to state candidate committees are subject to limits. Transfers from a local candidate's committee to his or her state committee must be attributed to the original contributors. See the information manual for state candidates for more information on transfers and attribution.) In addition, campaign funds may be used to make loans to bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organizations. However, the loan may not personally benefit the officeholder, candidate, committee treasurer, or any individual with authority to approve the expenditure of campaign funds, or any such person's immediate family member. The loan must be reasonably related to a political, legislative, or governmental purpose. Campaign funds may not be loaned to an individual or to an entity other than those described above.

Professional Services

When the committee reasonably requires the services of professionals, such as an accountant or attorney, their fees may be paid with campaign funds. (See below for restrictions on salary and compensation paid to a candidate or officeholder.)

Real Property

The committee may not purchase real property. It may, however, lease property for up to one year, as long as its use is directly related to a political, legislative, or governmental purpose. Neither the candidate or officeholder, committee treasurer, any individual with authority to approve the committee's expenditures, or an immediate family member of any of these persons may be a lessee or sublessor, or hold legal title to the leased property.

Refunding Contributions

The return of contributions to contributors is permitted.

Returning Contributions Lacking Contributor Information

When a contribution of \$100 or more in a calendar year is received from a single contributor, the committee must report the contributor's name and address, and, if the contributor is an individual, his or her occupation and employer. If the committee does not have this information in its records within 60 days of receipt of the contribution, it must be returned.

Salary and Compensation

The candidate or officeholder, or any individual authorized to approve the committee's expenditures, may not receive a salary or other compensation from the committee for the performance of political, legislative, or governmental activities. The committee may pay for professional services such as an accountant, however, even if the accountant has authority to sign committee checks.

(Example) *Paula Greene, a member of Supervisor Howard's staff, also is the treasurer of the Supervisor's campaign committee. Ms. Greene does all recordkeeping for the committee and completes the committee's campaign*

reports. She also has authority to approve committee expenditures. Campaign funds may be used to pay Ms. Greene for services she provides as committee treasurer. Funds may not be used to supplement or pay her government salary.

Security Systems

A candidate may use campaign funds to purchase an electronic security system. To do so, the candidate must have received threats to his or her physical safety because of his or her status as a candidate or elected official and the incidents must be verified by an appropriate law enforcement agency. No more than \$5,000 may be spent and a report to the FPPC is required.

Tickets for Entertainment and Sporting Events

The committee may purchase entertainment and sporting event tickets for use by the candidate or officeholder, or officer, director, employee, or staff of the committee, as long as attendance is directly related to a political, legislative, or governmental purpose.

(Example) *Candidates for the office of mayor have been offered the chance to speak during half-time at the local college football game. Campaign funds may be used to purchase tickets for the candidates and committee staff to attend, but only because they will be speaking.*

Tickets to Political Fundraisers

A committee may purchase tickets to political fundraisers (subject to any applicable contribution limits) for the candidate or officeholder, or officer, director, employee, or staff of the committee.

Travel

A committee that pays for travel or accommodations for the candidate or officeholder, any individual with authority to

approve the committee's expenditures, or employees or staff of the committee must comply with the standards set by Internal Revenue Code Sections 162 and 274 (deduction of travel expenses for tax purposes). The Internal Revenue Service may be contacted at (800) 829-1040 or www.irs.gov for more information.

Airline Mileage Programs

Some airlines have mileage programs that allow individuals to earn free tickets or other awards. These mileage credits and awards belong to the individual traveler, not the committee. The committee is not required to report either the receipt of the mileage credit awards or the redemption of the credits.

Use of Surplus Funds

There are restrictions on how campaign funds held by an elected officeholder or candidate may be spent once the funds become "surplus." Surplus funds may not be used for a future election. See Chapter 1 for information about using campaign funds for a future election before they become surplus.

Campaign funds held by an officeholder become surplus when the officeholder leaves the office for which the funds were raised, or at the end of the semi-annual reporting period following his or her defeat, whichever occurs last. Campaign funds held by a nonincumbent defeated candidate or a candidate who withdraws from an election become surplus at the end of the semi-annual reporting period following the election. (The end of the semi-annual reporting period is June 30 for elections held during the first six months of the calendar year, and December 31 for elections held during the last six months of the calendar year.) If a candidate or officeholder dies, campaign funds held by the candidate or officeholder become surplus on the earlier of either June 30 or December 31 following his or her death.

Surplus funds may only be spent in the following manner:

- Payment of outstanding campaign debts or officeholder expenses;
- Refunds to contributors;
- Donation to a bona fide charitable, educational, civic, religious, or similar tax-exempt, non-profit organization, provided no substantial part of the proceeds will have a material financial effect on the candidate, on any member of the candidate's immediate family (spouse or registered domestic partner and children), or the campaign treasurer;
- Contributions to a political party or committee, so long as the funds are not used to make contributions in support of or opposition to a candidate for elective office. (The funds must be used for the party's or committee's overhead expenses.)
- Contributions to support or oppose any candidate for federal office, any candidate for elective office in a state other than California, or any ballot measure;
- Payment for professional services or attorneys' fees for litigation which arises out of campaign or election activities; or
- Payment for an electronic security system. Contact the FPPC for information about specific requirements that must be met.

Answering Your Questions

- Q. I am a candidate for a local office. It appears that I won't have any problem winning my seat. I would like to return some of my contributions to my contributors. May I do this?*
- A. You may return to each individual contributor up to the total amount they contributed any time during the campaign.
- Q. I am a candidate. I make long-distance*

phone calls on my home phone to request support from organizations statewide. How may I pay for them?

- A. When the bill arrives, calculate the portion that is campaign-related. Have the committee write a check for that portion directly to the phone company; do not pay the bill out of personal funds and get reimbursed.
- Q. Very often, I need to get a babysitter for those evenings that I am out campaigning. May I use campaign funds to pay a babysitter?*
- A. You may use campaign funds to pay a babysitter, but only up to \$200 per event.
- Q. As a candidate, I will be using my personal car to get around during the campaign. Is mileage considered a reportable contribution if I do not want to be reimbursed?*
- A. No. Incidental use of your personal car for campaign purposes is not considered a contribution and is not reportable.
- Q. May I use campaign funds to have an additional telephone line put in my home?*
- A. Yes, as long as the additional phone line is used for campaign purposes only. If, after the campaign, you choose to retain the additional phone line for personal purposes, you must pay the campaign what it would cost to install an additional line at that time.
- Q. Is it permissible to use campaign funds to pay an independent contractor (e.g., the campaign consultant) additional money if I win my election?*
- A. Yes, under the Act you may use campaign funds to pay a contractor for fees that are part of the written contract.
- Q. May I host a victory party or give bonuses to my campaign workers?*

- A. Yes. In most cases, the bonuses would be considered gifts and would be limited to \$250 per calendar year.
- Q. *I lost my election and have funds remaining. May I use my excess funds to run again in two years?*
- A. If you wish to use funds left over from an unsuccessful race for a future election to the same office, file a new Form 501 and amend your existing Form 410 before the end of the post-election reporting period. If you plan to run for a different office, file a new Form 501 and transfer the funds to a new campaign bank account, for which you must file a new Form 410. If you do nothing, the campaign funds will become "surplus" at the end of the post-election reporting period and may not be used to run for office.
- Q. *I withdrew my name from the election. When do my funds become "surplus?"*
- A. Even though you withdrew your name, you are treated the same as a defeated candidate. Your funds will become "surplus" unless they are redesignated for a future election by the end of the semi-annual reporting period in which the election occurs.

Disqualification and Campaign Contributions

Generally, campaign contributions received in connection with an elective office cannot serve as the basis for disqualifying the official from voting on a matter affecting the contributor. However, if the official holds an appointed position and receives contributions for an elective office, he or she may be subject to the provisions of Government Code Section 84308 which:

- Prohibits soliciting, directing, or receiving campaign contributions in excess of \$250 from parties, participants, or their agents during proceedings regarding licenses,

permits, or other entitlements for use, or for 90 days after the decision.

- Requires disclosure of all such campaign contributions and also requires an official's disqualification from making decisions in certain proceedings in which the official is acting in an appointed position if more than \$250 in campaign contributions has been received from a party or participant within 12 months preceding the decision.

(Example) *Three city councilmembers and two county supervisors serve on the Local Agency Formation Commission. Since the councilmembers and supervisors were appointed to the commission, they may not vote on a LAFCO issue if they have received a contribution in the last 12 months of more than \$250 from someone who is a party, participant, or agent in the proceeding.*

Who is Covered?

Generally, appointed board members, commissioners, or individuals who head state or local government agencies and who make decisions in proceedings involving licenses, permits, or other entitlements for use are subject to Section 84308. Common positions include:

- Planning Commissioners
- Local Agency Formation Commission (LAFCO) members
- Members of redevelopment agencies which are not entirely comprised of elected members of the same agency
- Transportation Authority members
- Air Quality Management District members
- Waste Management Authority members
- California Coastal Commissioners

(Example) *Sarah Fisher is a candidate for the Williamson City Council. She also is an appointed member of the Williamson Planning Commission.*

Christopher Bradley has a permit request pending before the planning commission. Under Section 84308, Sarah is prohibited from soliciting or receiving any contribution of more than \$250 from Christopher or Christopher's agent.

Sarah Fisher was elected to the Williamson City Council and resigned her position on the Williamson Planning Commission. Since she is now serving solely in an elected position, she is not required to disqualify herself from making decisions on the Williamson City Council by virtue of receiving contributions of more than \$250 from any person.

Exempted Agencies

Section 84308 does not apply to the following agencies:

- Judicial branch
- Legislature
- Board of Equalization (Gov. Code Section 15626 applies)
- Constitutional officers
- Local agencies whose members are elected by the voters (e.g., board of supervisors, city council, or school board)
- Committees of an agency that are comprised solely of elected members of the same agency (e.g., city councilmembers who serve on the city's budget and finance committee)
- Elected members of an agency, all of whom also serve as the governing body of another agency (i.e., city councilmembers who also serve on the city's redevelopment agency board)

Section 84308 specifically prohibits officers from soliciting, accepting, or directing campaign contributions of more than \$250 from any party, participant, or agent of a party or participant while a proceeding is pending before the officer's agency and for 90 days following the decision. This

prohibition applies even when the contribution is for another candidate.

(Example) *Sunny Shine, a planning commissioner, serves as the treasurer for Councilmember Claude E. Sky's campaign. Sunny may not solicit, accept, or direct a campaign contribution of more than \$250 for Claude's campaign from a party, participant, or agent whose proceeding is pending before the planning commission.*

The FPPC's fact sheet entitled "Campaign Contributions May Cause Conflicts for Appointees and Commissioners" may be consulted for further information concerning Section 84308.

Authority

The following Government Code sections and Title 2 regulations provide authority for the preceding information in this chapter:

Government Code Sections

82025	<i>Expenditure.</i>
82044	<i>Payment.</i>
84300	<i>Cash and In-Kind Contributions; Cash Expenditures.</i>
84301	<i>Contributions Made Under Legal Name.</i>
84302	<i>Contributions by Intermediary or Agent.</i>
84304	<i>Anonymous Contributions.</i>
84307	<i>Commingleing with Personal Funds.</i>
84308	<i>Contributions to Officers; Disqualification.</i>
84309	<i>Transmittal of Campaign Contributions in State Office Buildings.</i>
85201	<i>Campaign Bank Account.</i>
85501	<i>Prohibition on Independent Expenditures by Candidate Controlled Committees.</i>
85700	<i>Donor Information Requirements; Return of Contributions.</i>
85701	<i>Disgorgement of Laundered Contributions.</i>

- 85702 *Contributions from Lobbyists.*
- 85704 *Prohibition on Earmarking.*
- 89510 *Acceptable Contributions.*
- 89511 *Campaign Funds Held by
Candidates and Committees.*
- 89511.5 *Use of Personal Funds for
Incumbent Elected Officers.*
- 89512 *Expenditures Associated with
Seeking or Holding Office.*
- 89513 *Use of Campaign Funds for
Specific Activities.*
- 89514 *Use of Campaign Funds for
Attorney's Fees.*
- 89515 *Use of Campaign Funds for
Donations and Loans.*
- 89516 *Use of Campaign Funds for Vehicle
Expenses.*
- 89517 *Use of Campaign Funds for Real
Property, Appliances or Equipment.*
- 89517.5 *Use of Campaign Funds for
Security System.*
- 89518 *Use of Campaign Funds for
Compensation.*
- 89519 *Use of Surplus Campaign Funds.*

Title 2 Regulations

- 18432.5 *Intermediary.*
- 18438.1 *Officers and Agencies Under
Government Code Section 84308.*
- 18438.5 *Aggregated Contributions Under
Government Code Section 84308.*
- 18438.6 *Solicitation, Direction, and Receipt
of Contributions Under Government
Code Section 84308.*
- 18438.7 *Prohibitions and Disqualification
Under Government Code Section
84308.*
- 18438.8 *Disclosure Under Government
Code Section 84308.*
- 18439 *Definition of "Personally Deliver."*
- 18526 *Reimbursement of Expenditures.*
- 18570 *Return of Contributions with
Insufficient Donor Information.*
- 18572 *Lobbyist Contributions – Making a
Contribution Defined.*
- 18951 *Surplus Funds.*
- 18960 *Direct Personal Benefit Defined.*
- 18961 *Incidental Use.*

Appendix 1

Definitions

Candidate

(Sections 82007; 84214)

An individual becomes a candidate in California under the following circumstances:

- The individual's name is listed on a primary, general, special, or recall election ballot; or
- The individual is qualified to have election officials count write-in votes on his or her behalf for nomination or election to any state or local elective office.

An individual who receives a contribution or makes an expenditure (or gives consent for any other person to receive a contribution or make an expenditure) for his or her nomination or election to any state or local elective office also is a candidate under the Political Reform Act, even if:

- The specific elective office the individual will seek is not known when the contribution is received or the expenditure is made. (However, Section 85200 requires the candidate to provide this information (Form 501) prior to receiving any contributions or making any expenditures.)
- The individual has not announced his or her candidacy.
- A declaration of candidacy has not been filed.

An elected officeholder also is considered to be a candidate under the Act.

Individuals running for federal office, such as United States President, Senator, or Representative, are not candidates under the Act.

An individual retains his or her status as a candidate (even if defeated in an election) until all campaign activity requiring disclosure has ended. A controlled committee must file

a Statement of Organization, Form 410, with the "Termination" box checked.

Contribution

(Section 82015; Regulations 18215 and 18225.7)

A contribution is a payment, including a loan, a forgiveness of a loan, a third party payment on a loan, or an enforceable promise to make a payment except to the extent that full and adequate consideration is received, unless it is clear from the surrounding circumstances that it is not made for political purposes. A payment made at the behest of an officeholder, candidate, or committee is a contribution to the officeholder, candidate, or committee unless full and adequate consideration is received for making the payment.

A payment is "made at the behest of" an officeholder, candidate, or committee if it is made under the control or at the direction of the officeholder, candidate, or committee. It is also made at the behest if it is made in cooperation, consultation, coordination, or concert with, or at the request or suggestion of the officeholder, candidate, controlled committee, official committee of a political party, or organization formed or existing primarily for political purposes.

Election Activities

Payments for the following election-related activities are considered to be related to a candidate's candidacy for office:

- Communications that contain express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.
- Communications that contain reference to the candidate's candidacy, the candidate's election campaign, or the candidate or his

Appendix 1 — Definitions

or her opponent's qualifications for elective office.

- Solicitation of contributions to the candidate or to third persons for use in support of the candidate or in opposition to his or her opponent.
- Arranging, coordinating, developing, writing, distributing, preparing, or planning of any election-related communication or activity.
- Recruiting or coordinating campaign activities of campaign volunteers on behalf of the candidate.
- Preparing campaign budgets.
- Preparing campaign finance disclosure statements.
- Communications directed to voters or potential voters as part of activities encouraging or assisting persons to vote if the communication contains express advocacy for the nomination or election of the candidate or the defeat of his or her opponent.

Common Contributions

- Tickets purchased for political events such as dinners, luncheons, rallies, and similar fundraising events.
- The officeholder or candidate's own money or property.
- Discounts or rebates not generally extended to the public.
- Television, radio, or newspaper discounts or rebates not equally extended to all candidates for the same office.
- Payments made by any person for the services of another person rendered on behalf of a candidate or committee. However, if an individual is paid by his or her employer, those payments are not contributions unless employees spend more than 10% of their compensated time during a calendar month working on

behalf of an officeholder, candidate, or committee.

- Transfer of anything of value a committee receives from another committee, unless the committee pays the fair market value.

Contributions; Exceptions

- A home or office meeting or fundraising event held in an occupant's home or office, if the total costs for the meeting or event are \$500 or less. If more than \$500 is spent, the total amount is a contribution.
- Any individual's volunteered personal services or payments for his or her own travel expenses if the payments are made voluntarily and without any understanding or agreement that the individual will be repaid or reimbursed.
- A candidate's personal funds used to pay a filing fee for a declaration of candidacy or a candidate statement prepared pursuant to Section 13307 of the Elections Code.
- Certain payments made principally for legislative, governmental, or charitable purposes (co-sponsored events) unrelated to a candidate's candidacy for elective office.
- Gifts made principally for personal purposes unrelated to a candidate's candidacy for elective office.
- An expenditure by a political party or a political committee that is made at the behest of a candidate or officeholder if the expenditure is made in connection with voter registration activities and does not clearly identify or expressly advocate the election or defeat of any candidate for elective office.
- A payment made at the behest of a candidate for a communication that does not expressly advocate for the candidate; does not refer to the candidate's candidacy for elective office, the

candidate's election campaign, or the candidate's or his or her opponent's qualifications for office; and does not solicit contributions to assist in the candidate's campaign.

- A payment made by a candidate or committee for another candidate to attend the paying candidate or committee's fundraiser.
- A payment made by a candidate to let voters know that another candidate has endorsed him or her, except that no express advocacy may be made on behalf of the endorsing candidate, or opposition to his or her opponent. (See Chapter 3 for the definition of "express advocacy.")
- A payment made by a ballot measure committee telling the voters which candidates support or oppose the ballot measure, as long as there is no express advocacy on behalf of the endorsing candidate, or opposition to his or her opponent.
- Payments for a news story, commentary, or editorial by a regularly-published newspaper, magazine, or other periodical of general circulation which routinely carries news articles, and commentary of general interest.
- Payments for a news story, commentary, or editorial by a federally-regulated broadcast outlet (radio or television).
- A payment by an organization for its regularly-published newsletter or periodical, if the circulation is limited to the organization's members, employees, shareholders, or other affiliated individuals, and those who request or purchase the publication. This regulatory exception has been largely subsumed by a broader statutory provision concerning communications by an organization to its members (See Member Communications, below).
- A payment for a debate or other forum sponsored by a nonpartisan organization in which at least two candidates appearing on the ballot for the same elective office are invited to participate.
- A payment for a debate or other forum in which the proponent of a ballot measure and at least one opponent, or their respective representatives, are invited to participate in equal numbers.
- A payment for a debate or other forum sponsored by a political party or affiliated committee in which a majority of the candidates for that party's nomination are invited to participate.
- A payment made by a bona fide service, social, business, trade, union, or professional organization or group for reasonable overhead expenses associated with the organization's regularly-scheduled meeting at which a candidate or an individual representing either side of a ballot measure speaks, if the organization pays no additional costs in connection with the speaker's attendance.
- A payment made by a candidate for a communication in support of or opposition to a ballot measure, if the communication features the endorsing candidate or clearly identifies him or her as the sponsor of the communication. This exception does not include a monetary contribution from a candidate or his or her controlled committee to a ballot measure committee.
- A payment by a sponsoring organization for the establishment and administration of a sponsored committee, provided such payments are reported. Any monetary payment made to the sponsored committee shall be made by separate instrument. "Establishment and administration" means the cost of office space, phones, salaries, utilities, supplies, legal and accounting fees, and other

Appendix 1 — Definitions

expenses incurred in setting up and running a sponsored committee.

- When a candidate requests that someone else make a contribution to another candidate or committee not controlled by the candidate making the request, a contribution has not been made to the candidate making the request.
- Payments for communications to members, employees, shareholders, or families of members, employees, or shareholders of an organization for the purpose of supporting or opposing a candidate or a ballot measure, provided these payments are not made for general public advertising, such as broadcasting, billboards, and newspaper advertisements. However, such payments are reportable if made by an existing committee (e.g., an organization's sponsored committee). In addition, political party committees must report payments for communications to their members in the same manner as contributions and independent expenditures.

Controlled Committee

(Section 82016)

If an officeholder, candidate, or state measure proponent exerts significant influence on the actions or decisions of a recipient committee, he or she controls the committee. In almost all cases, officeholders or candidates control the primary committee that is set up to support their officeholder or candidacy status. Committees can even be controlled indirectly through agents of candidates and officeholders.

Elective Office

(Section 82023)

Any state, regional, county, municipal, district, or judicial office that is filled at an election. Although membership on a county

central committee of a qualified political party is considered an elective office, alternate members of county central committees and chairpersons of Assembly district committees are not subject to the Act's disclosure requirements. Those appointed to an elective office, however, are subject to the Act. Membership on the Board of Administration of the Public Employees Retirement System is also an elective office.

Independent Expenditure

(Section 82031)

"Independent expenditure" means an expenditure made by any person in connection with a communication which expressly advocates the election or defeat of a clearly-identified candidate or the qualification, passage, or defeat of a clearly-identified measure, or taken as a whole and in context, unambiguously urges a particular result in an election but which is not made to or at the behest of the affected candidate or committee.

Person

(Section 82047)

An individual, proprietorship, firm, partnership, joint venture, syndicate, business trust, company, corporation, limited liability company, association, committee, and any other organization or group of persons acting in concert.

Primarily Formed Committee

(Section 82047.5)

A recipient committee that is formed or exists primarily to support or oppose:

- (a) A single candidate; or
- (b) A single measure; or
- (c) A group of specific candidates being voted upon in the same city, county, or multicounty election; or

- (d) Two or more measures being voted upon in the same city, county, multicounty, or state election.

Also see the definition of “controlled committee,” above. A primarily formed committee is one that is not controlled by the candidate or officeholder the committee supports.

Appendix 2

About the Political Reform Act

How to Get Help

The Political Reform Act of 1974

The Political Reform Act (the "Act") was a voter-approved initiative on the 1974 primary election ballot. One of the major provisions of the Act requires the disclosure of campaign contributions and expenditures during elections.

The Fair Political Practices Commission

The Fair Political Practices Commission is the independent, nonpartisan state agency authorized to implement, interpret, and enforce the provisions of the Political Reform Act. The Commission is comprised of a full-time chair appointed by the Governor, and four part-time commissioners, one each appointed by the Controller, the Attorney General, the Secretary of State, and the Governor. Each serves a four-year term and no more than three members may be from the same political party. Commission staff members are divided into four divisions: Administration, Enforcement, Legal, and Technical Assistance.

Governing Statutes

The Political Reform Act is contained in Government Code Sections 81000-91014.

Regulations

Regulations interpreting the Political Reform Act are located at Title 2, Division 6 of the California Code of Regulations, beginning at Section 18109.

Opinions and Advice Letters

The Commission periodically issues opinions interpreting provisions of the Political Reform

Act. The opinions are adopted at a public meeting, with opportunity for input from interested persons.

In addition, FPPC staff issues written advice letters as to the applicability of the Political Reform Act and regulations to a particular factual situation. See the FPPC publication "How Do I Get Advice From the FPPC?" available on our website.

FPPC staff does not provide advice by e-mail.

Obtaining Information from the FPPC

Write, call, or visit the FPPC to get copies of specific advice letters or to be put on our mailing lists.

Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814
(916) 322-5660 – Toll-free (866) 275-3772

Website

The Commission's website (www.fppc.ca.gov) contains a wealth of helpful information, including:

- The Political Reform Act and its corresponding regulations
- Commission opinions
- Notices of Commission meeting dates and agenda, supporting documentation for agenda items, and meeting summaries
- Forms required by the Act (also available at the FPPC's offices, the Secretary of State's offices, and many local clerks' offices)

Appendix 2 — About the Political Reform Act/How to Get Help

- Manuals, fact sheets, and useful summaries of the law
- Schedules of upcoming seminars and educational workshops

Additional Campaign Manuals

Additional copies of this manual, and manuals for other types of campaign committees are available from the Commission, the Secretary of State, and many city clerks or county registrars. Manuals are available for:

- State Candidates and officeholders, and committees primarily formed to support/oppose candidates
- Local Candidates and officeholders, and committees primarily formed to support/oppose candidates
- General purpose recipient committees (including PACs, sponsored committees, political party committees, and county central committees)
- Ballot measure committees
- Major donor and independent expenditure committees
- Slate mailer organizations

Commission Bulletin

The Commission publishes a free bulletin. Information regarding enforcement cases, legislation and litigation updates, workshop announcements, educational articles, and advice letter summaries are regularly included. Persons interested in obtaining the Bulletin may contact the Commission to be placed on the email Bulletin mailing list by going to the "Mailing Lists" page of the FPPC website at www.fppc.ca.gov.

Computer Generated Statements

Interactive campaign forms may be found at the Commission's website at www.fppc.ca.gov.

In lieu of using official FPPC forms,

candidates and committees may produce their own computer-generated form using FPPC's format.

If filers choose to produce their own form, they must obtain Commission approval before it may be filed. Approval will be granted on forms that contain all of the required information in a format substantially similar to the Commission's forms. If substantive changes are made to a previously-approved form, the amended form should be submitted for approval. Also, each January, the Commission should be contacted to determine if there have been changes to the disclosure statements that may require changes to computerized forms.

In addition, the Commission maintains a list of commercial software vendors who have received Commission approval for their software packages. Contact the Commission if you are interested in obtaining this list. The list is also available on the Commission's website (www.fppc.ca.gov).

Local candidates are not required to file campaign statements electronically unless they are running for state office. However, some local jurisdictions require electronic filing. Check with your local filing officer.

Need Help Fast?

Assistance may be obtained regarding filing requirements, forms, or an upcoming issue by calling the Commission's Technical Assistance Division at (916) 322-5660, or toll-free at (866) 275-3772, ext. 2.

For even more information! The Commission periodically conducts educational workshops on various topics. Contact the Technical Assistance Division or the website to see if a workshop is coming to your area.

Obtaining Information Elsewhere

A subscription for regulations is available from:

Barclay's Law Publishing
P.O. Box 3066
South San Francisco, CA 94083
(800) 888-3600

Opinions and advice letters are available from these subscription services:

Westlaw (800) 328-9352
Database: "CA-ETH"
(Advice letters from 1986 to present)

Lexis-Nexis (800) 227-9597
Database: "CA Fair Political Practices Commission"
(Advice letters from 1990 to present)

Other Resources

The Secretary of State, city clerks, and county clerks or registrars of voters are the filing officers for campaign disclosure statements. Committee statements will be filed with the Secretary of State or a local clerk or registrar depending on whether the filer is a state candidate, a candidate running for local election, or a state or local committee.

Secretary of State

The Secretary of State is also responsible for issuing campaign committee identification numbers. Contact that office regarding the availability and processing of ID numbers.
(916) 653-6224
(916) 653-5045 fax
www.sos.ca.gov

Federal Election Commission

The Federal Election Commission answers questions regarding federal elections and contributions to all candidates from national banks, national corporations, and foreign nationals.
(800) 424-9530 (located in Washington, D.C.)
www.fec.gov

Franchise Tax Board

The Franchise Tax Board is responsible for responding to questions regarding tax status, tax-deductibility of political contributions, 501 (c)(3) groups, audits, or any tax-related questions.
(800) 852-5711
www.ftb.ca.gov

Internal Revenue Service

The Internal Revenue Service provides assistance regarding federal tax laws and obtaining a taxpayer identification number.
(877) 829-5500 (located in Washington, D.C.)
(800) 829-3676 (taxpayer ID number)
www.irs.gov

Federal Communications Commission

The Federal Communications Commission can answer questions regarding rates for purchasing broadcast time and equal access to broadcast media.
(888) 225-5322
www.fcc.gov
fccinfo@fcc.gov

Local Ordinances

A city or county officeholder, candidate, or committee may be subject to additional reporting or other requirements. This is because cities and counties may enact ordinances that impose additional or different disclosure requirements. For example, there may be contribution limits, lower itemization thresholds, or an additional preelection statement, just to mention a few.

A city or county campaign ordinance may never pre-empt state law. Enforcement and interpretation of a local ordinance is the responsibility of the local jurisdiction. The Commission is not empowered to give advice concerning local ordinances.

Privacy Information Notice

Information requested on all FPPC forms is used by the FPPC to administer and enforce the Political Reform Act (Government Code Sections 81000-91014 and California Code of Regulations Sections 18110-18997). All information required by these forms is mandated by the Political Reform Act. Failure to provide all of the information required by the Act is a violation subject to administrative, criminal or civil prosecution. All reports and statements provided are public records open for public inspection and reproduction.

If you have any questions regarding this Privacy Notice or how to access your personal information, please contact the FPPC at:

Manager, Filing Officer Programs
428 J Street, Suite 620
Sacramento, CA 95814
(916) 322-5660

Campaign statements are filed with the Secretary of State and city and county filing officers.

Enforcement

The Fair Political Practices Commission, the Attorney General, county district attorneys, and elected city attorneys of charter cities have enforcement authority under the Act.

Failure to provide all or any part of the information required by the Political Reform Act is a violation subject to:

- An administrative enforcement proceeding before the Fair Political Practices Commission;
- A criminal misdemeanor proceeding;
- A civil action; and
- Levying of late penalties by filing officers.

Penalties for not filing campaign statements may be imposed up to \$5,000 per violation.

Additional information on the Commission's enforcement procedures is available on the website at www.fppc.ca.gov.

State of California
Fair Political
Practices Commission



How To Contact Us:

By mail:

Fair Political Practices Commission
428 J Street, Suite 620
Sacramento, CA 95814

Internet:

www.fppc.ca.gov

By telephone:

Toll-free advice line:

1-866-ASK-FPPC

(1-866-275-3772)

Regular line: 1-916-322-5660